

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

APPLICATION OF FLAT CREEK RESOURCES, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

Case Nos. 23997-23999

FLAT CREEK RESOURCES, LLC



Jawbone Fed Com BS #1H, #2H, #3H Wells

January 4, 2024

Revised Exhibits (Exhibits A4 and A5)

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Tab 1.

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23997	APPLICANT'S RESPONSE
Date	December 7, 2023
Applicant	Flat Creek Resources, LLC
Designated Operator & OGRID (affiliation if applicable)	Flat Creek Resources, LLC, 374034
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon T. Shaheen and Samantha H. Catalano)
Case Title:	Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Durango Production Company; Spur Energy Partners LLC
Well Family	Jawbone Fed Com BS Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	COTTONWOOD DRAW; BONE SPRING (O) [97494]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	South - North
Description: TRS/County	E/2 E/2 of Section 2, Township 25 South, Range 26 East, and E/2 E/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	n/a
Proximity Tracts: If yes, description	n/a
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	See Exhibits A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

Well #1	Jawbone Fed Com BS #1H well. API No. Pending. SHL: 200' FSL and 1,050' FEL of Section 2, T25S-R26E, NM. BHL: 50' FNL and 770' FEL of Section 35, T24S-R26E, NM. Completion Target: Bone Spring Formation at approx. 7,691'. Well Orientation: South to North. Completion location expected to be standard.
Horizontal Well First and Last Take Points	FTP (~100' FSL and 770' FEL of Section 2) LTP (~100' FNL and 770' FEL of Section 35)
Completion Target (Formation, TVD and MD)	Bone Spring Formation TVD: ~7,691' MD: ~17,919'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000, see Exhibit A at 1, ¶ 22
Production Supervision/Month \$	\$800, see Exhibit A at 1, ¶ 22
Justification for Supervision Costs	See AFEs at Exhibit A-4
Requested Risk Charge	200%, see Exhibit A at 1, ¶ 23
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibits A-3 and A-4
Tract List (including lease numbers and owners)	Exhibits A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	n/a
Pooled Parties (including ownership type)	See Exhibits A-4
Unlocatable Parties to be Pooled	See Exhibit C and Exhibit A attached thereto
Ownership Depth Severance (including percentage above & below)	n/a
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibits A-4
Chronology of Contact with Non-Joined Working Interests	Exhibits A-5
Overhead Rates In Proposal Letter	See Exhibit A-7 at 1
Cost Estimate to Drill and Complete	See AFE at Exhibit A-7
Cost Estimate to Equip Well	See AFE at Exhibit A-7
Cost Estimate for Production Facilities	See AFE at Exhibit A-7
Geology	
Summary (including special considerations)	See Exhibit B, and Exhibits B-1 through B-6

Spacing Unit Schematic	Exhibits A-2 and A-3
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2
Well Orientation (with rationale)	See Exhibit B, ¶ 13
Target Formation	Exhibit B-5
HSU Cross Section	Exhibits B-4 and B-5
Depth Severance Discussion	n/a
Forms, Figures and Tables	
C-102	Exhibit A-6
Tracts	Exhibits A-2 and A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3 and A-4
General Location Map (including basin)	Exhibits A-1 and B-1
Well Bore Location Map	Exhibit B-3; see Exhibit A-6
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-5
Additional Information	
Special Provisions/Stipulations	n/a
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
Signed Name (Attorney or Party Representative):	/s/ Sharon T. Shaheen
Date:	12/5/2023

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23998	APPLICANT'S RESPONSE
Date	December 7, 2023
Applicant	Flat Creek Resources, LLC
Designated Operator & OGRID (affiliation if applicable)	Flat Creek Resources, LLC, 374034
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon T. Shaheen and Samantha H. Catalano)
Case Title:	Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Durango Production Company; Spur Energy Partners LLC
Well Family	Jawbone Fed Com BS Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Cottonwood Draw; Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	COTTONWOOD DRAW; BONE SPRING (O) [97494]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	South - North
Description: TRS/County	W/2 E/2 and E/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 E/2 and E/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	n/a
Proximity Tracts: If yes, description	Yes, E/2 W/2 of Section 2, T25S, R26E and E/2 W/2 of Section 35, T24S, R26E
Proximity Defining Well: if yes, description	Jawbone Fed Com BS #2H
Applicant's Ownership in Each Tract	See Exhibits A-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

Well #1	Jawbone Fed Com BS #2H well. API No. 30-015-49459. SHL: 200' FSL and 1,070' FEL of Section 2, T25S-R26E, NM. BHL: 50' FNL and 2,501' FEL of Section 35, T24S-R26E, NM. Completion Target: Bone Spring Formation at approx. 7,691'. Well Orientation: South to North. Completion location expected to be standard for a proximity well.
Horizontal Well First and Last Take Points	FTP (~100' FSL and 2,555' FEL of Section 2, T25S-R26E). LTP (~ 100' FNL and 2,501' FEL of Section 35, T24S, R26E)
Completion Target (Formation, TVD and MD)	Bone Spring Formation TVD: ~7,691' MD: ~18,185'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000, see Exhibit A at 1, ¶ 22
Production Supervision/Month \$	\$800, see Exhibit A at 1, ¶ 22
Justification for Supervision Costs	See AFEs at Exhibit A-7
Requested Risk Charge	200%, see Exhibit A at 1, ¶ 23
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibits A-3 and A-4
Tract List (including lease numbers and owners)	Exhibits A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	n/a
Pooled Parties (including ownership type)	See Exhibits A-4
Unlocatable Parties to be Pooled	See Exhibit C and Exhibit A attached thereto
Ownership Depth Severance (including percentage above & below)	n/a
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibits A-4
Chronology of Contact with Non-Joined Working Interests	Exhibits A-5
Overhead Rates In Proposal Letter	See Exhibit A-7 at 1
Cost Estimate to Drill and Complete	See AFE at Exhibit A-7
Cost Estimate to Equip Well	See AFE at Exhibit A-7
Cost Estimate for Production Facilities	See AFE at Exhibit A-7
Geology	
Summary (including special considerations)	See Exhibit B, and Exhibits B-1 through B-6

Spacing Unit Schematic	Exhibits A-2 and A-3
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2
Well Orientation (with rationale)	See Exhibit B, ¶ 13
Target Formation	Exhibit B-5
HSU Cross Section	Exhibits B-4 and B-5
Depth Severance Discussion	n/a
Forms, Figures and Tables	
C-102	Exhibit A-6
Tracts	Exhibits A-2 and A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3 and A-4
General Location Map (including basin)	Exhibits A-1 and B-1
Well Bore Location Map	Exhibit B-3; see Exhibit A-6
Structure Contour Map - Subsea Depth	Exhibit B-3
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-5
Additional Information	
Special Provisions/Stipulations	n/a
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
Signed Name (Attorney or Party Representative):	/s/ Sharon T. Shaheen
Date:	12/5/2023

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23999	APPLICANT'S RESPONSE
Date	December 7, 2023
Applicant	Flat Creek Resources, LLC
Designated Operator & OGRID (affiliation if applicable)	Flat Creek Resources, LLC, 374034
Applicant's Counsel:	Montgomery & Andrews, P.A. (Sharon T. Shaheen and Samantha H. Catalano)
Case Title:	Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Durango Production Company; Spur Energy Partners LLC
Well Family	Jawbone Fed Com BS Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Name and Pool Code:	COTTONWOOD DRAW; BONE SPRING (O) [97494]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres, more or less
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	South - North
Description: TRS/County	W/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, NM
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	n/a
Proximity Tracts: If yes, description	n/a
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	See Exhibits A-3
Well(s)	

Name & APN <i>Released to Imaging: 1/3/2024 11:40:23 AM</i> Signed/3/1/2024 Bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Page 11 of 11
Well #1	Jawbone Fed Com BS #3H well. API No. Pending. SHL: 396' FSL and 1,156' FWL of Section 2, T25S-R26E, NM. BHL: 50' FNL and 680' FWL of Section 35, T24S-R26E, NM. Completion Target: Bone Spring Formation at approx. 7,705'. Well Orientation: South to North. Completion location expected to be standard.
Horizontal Well First and Last Take Points	FTP (~100' FSL and 680' FWL of Section 2) LTP (~ 100' FNL and 680' FWL of Section 35)
Completion Target (Formation, TVD and MD)	Bone Spring Formation TVD: ~7,705' MD: ~18,078'
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000, see Exhibit A at 1, ¶ 3
Production Supervision/Month \$	\$800, see Exhibit A at 1, ¶ 3
Justification for Supervision Costs	See AFEs at Exhibit A-4
Requested Risk Charge	200%, see Exhibit A at 1, ¶ 3
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibits A-3 and A-4
Tract List (including lease numbers and owners)	Exhibits A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	n/a
Pooled Parties (including ownership type)	See Exhibits A-4
Unlocatable Parties to be Pooled	See Exhibit C and Exhibit A attached thereto
Ownership Depth Severance (including percentage above & below)	n/a
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (ie Exhibit A of JOA)	Exhibits A-4
Chronology of Contact with Non-Joined Working Interests	Exhibits A-5
Overhead Rates In Proposal Letter	See Exhibit A-7 at 1
Cost Estimate to Drill and Complete	See AFE at Exhibit A-7
Cost Estimate to Equip Well	See AFE at Exhibit A-7

Cost Estimate for Production Facilities	See AFE at Exhibit A-7	Received by OGD: 1/3/2024 5:17:13 PM Page 12 of 11
Geology		
Summary (including special considerations)	See Exhibit B, and Exhibits B-1 through B-6	
Spacing Unit Schematic	Exhibits A-2 and A-3	
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2	
Well Orientation (with rationale)	See Exhibit B, ¶ 13	
Target Formation	Exhibit B-5	
HSU Cross Section	Exhibits B-4 and B-5	
Depth Severance Discussion	n/a	
Forms, Figures and Tables		
C-102	Exhibit A-6	
Tracts	Exhibits A-2 and A-3	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3 and A-4	
General Location Map (including basin)	Exhibits A-1 and B-1	
Well Bore Location Map	Exhibit B-3; see Exhibit A-6	
Structure Contour Map - Subsea Depth	Exhibit B-3	
Cross Section Location Map (including wells)	Exhibit B-4	
Cross Section (including Landing Zone)	Exhibit B-5	
Additional Information		
Special Provisions/Stipulations	n/a	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen	
Signed Name (Attorney or Party Representative):	/s/ Sharon T. Shaheen	
Date:	12/5/2023	

Tab 2.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF FLAT CREEK RESOURCES, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Flat Creek Resources, LLC, OGRID No. 374034 ("Flat Creek" or "Applicant"), as operator and on behalf of FE Permian Owner I, LLC, as working interest owner, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the E/2 E/2 of Section 2, Township 25 South, Range 26 East, and the E/2 E/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. In support of its application, Flat Creek states as follows:

1. Flat Creek is the operator acting on behalf of FE Permian Owner I, LLC, a working interest owner in the proposed HSU, which has the right to drill thereon.
2. Flat Creek proposes to drill the following 2-mile well in the proposed HSU:
 - **Jawbone Fed Com BS #1H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,050' FEL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 770' FEL of Section 35, T24S-R26E.
3. The completed interval and first and last take points for the well will meet the setback requirements set forth in the statewide rules for horizontal oil wells.

4. Flat Creek has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

5. Approval of the HSU and the pooling of all mineral interest owners in the Bone Spring formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to permit Flat Creek to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Flat Creek should be designated the operator of the HSU.

WHEREFORE, Flat Creek requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 7, 2023 and that, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 320-acre, more or less, HSU comprised of the E/2 E/2 of Section 2, Township 25 South, Range 26 East, and the E/2 E/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying the HSU;

C. Allowing the drilling of the following 2-mile well in the HSU: **Jawbone Fed Com BS #1H** well;

D. Designating Flat Creek as operator of the HSU and the well to be drilled thereon;

E. Authorizing Flat Creek to recover its costs of drilling, equipping and completing the well;

F. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Flat Creek in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen

Samantha H. Catalano

Post Office Box 2307

Santa Fe, NM 87504-2307

(505) 986-2678

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ec: wmcginnis@montand.com

Attorneys for Flat Creek Resources, LLC

Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the E/2 E/2 of Section 2, Township 25 South, Range 26 East, and the E/2 E/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #1H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,050' FEL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 770' FEL of Section 35, T24S-R26E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF FLAT CREEK RESOURCES, LLC
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EDDY COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Flat Creek Resources, LLC, OGRID No. 374034 ("Flat Creek" or "Applicant"), as operator and on behalf of FE Permian Owner I, LLC, a working interest owner, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU"), with proximity tracts comprised of the W/2 E/2 and E/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 E/2 and E/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. In support of its application, Flat Creek states as follows:

1. Flat Creek is the operator acting on behalf of FE Permian Owner I, LLC, a working interest owner in the proposed HSU, which has the right to drill thereon.
2. Flat Creek proposes to drill the following 2-mile well in the proposed HSU:
 - **Jawbone Fed Com BS #2H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,070' FEL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 2,555' FEL of Section 35, T24S-R26E.
3. The **Jawbone Fed Com BS #2H** well is a proximity well.

4. With the proximity tracts, the completed interval and first and last take points for the well will meet the setback requirements set forth in the statewide rules for horizontal oil wells.

5. Flat Creek has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

6. Approval of the HSU and the pooling of all mineral interest owners in the Bone Spring formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. In order to permit Flat Creek to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Flat Creek should be designated the operator of the HSU.

WHEREFORE, Flat Creek requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 7, 2023 and that, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 640-acre, more or less, HSU comprised of the W/2 E/2 and E/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 E/2 and E/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying the HSU;

C. Allowing the drilling of the following 2-mile well in the HSU: **Jawbone Fed Com BS #2H** well;

D. Designating Flat Creek as operator of the HSU and the well to be drilled thereon;

E. Authorizing Flat Creek to recover its costs of drilling, equipping and completing the well;

F. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Flat Creek in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen

Samantha H. Catalano

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Attorneys for Flat Creek Resources, LLC

Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU"), with proximity tracts, comprised of the W/2 E/2 and E/2 W/2 of Section 2, Township 25 South, Range 26 East and the W/2 E/2 and E/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #2H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,070' FEL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 2,555' FEL of Section 35, T24S-R26E. With the proximity tracts, the completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

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APPLICATION

Flat Creek Resources, LLC, OGRID No. 374034 ("Flat Creek" or "Applicant"), as operator and on behalf of FE Permian Owner I, LLC, as working interest owner, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the W/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. In support of its application, Flat Creek states as follows:

1. Flat Creek is the operator acting on behalf of FE Permian Owner I, LLC, a working interest owner in the proposed HSU, which has the right to drill thereon.
2. Flat Creek proposes to drill the following 2-mile well in the proposed HSU:
 - **Jawbone Fed Com BS #3H** well, to be horizontally drilled from a surface hole location approximately 396' FSL and 1,156' FWL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 680' FWL of Section 35, T24S-R26E.
3. The completed interval and first and last take points for the well will meet the setback requirements set forth in the statewide rules for horizontal oil wells.

4. Flat Creek has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

5. Approval of the HSU and the pooling of all mineral interest owners in the Bone Spring formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to permit Flat Creek to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Flat Creek should be designated the operator of the HSU.

WHEREFORE, Flat Creek requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 7, 2023 and that, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 320-acre, more or less, HSU comprised of the W/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico;

B. Pooling all mineral interests in the Bone Spring formation underlying the HSU;

C. Allowing the drilling of the following 2-mile well in the HSU: **Jawbone Fed Com BS #3H** well;

D. Designating Flat Creek as operator of the HSU and the well to be drilled thereon;

E. Authorizing Flat Creek to recover its costs of drilling, equipping and completing the well;

F. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Flat Creek in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen

Samantha H. Catalano

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Santa Fe, NM 87504-2307

(505) 986-2678

sshaheen@montand.com

scatalano@montand.com

ec: wmcginnis@montand.com

Attorneys for Flat Creek Resources, LLC

Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the W/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #3H** well, to be horizontally drilled from a surface hole location approximately 396' FSL and 1,156' FWL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 680' FWL of Section 35, T24S-R26E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

Tab 3.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATIONS OF FLAT CREEK RESOURCES, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case Nos. 23997-23999

AFFIRMATION OF LANDMAN MICHAEL GREGORY

I, Michael Gregory, make the following self-affirmed statement:

1. I am over the age of 18, and have the capacity to execute this affirmation, which is based on my personal knowledge.
2. I am employed as the Vice President of Land for Flat Creek Resources, LLC (“Flat Creek” or “Applicant”), and I am familiar with the subject applications and the lands involved.
3. This affirmation is submitted in connection with the filing by Flat Creek of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My education and work experience are as follows: I graduated from Texas Tech University with a bachelor’s degree in Energy Commerce in 2008. After graduation, I worked as a Senior Landman at XTO Energy for approximately ten years. I have worked for Flat Creek since June 2018. I have worked on New Mexico land matters for approximately eight years.
5. The purpose of these applications is to force pool working interest owners into the horizontal spacing units (“HSU”) described below and in the wells to be drilled in the HSUs.
6. The interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interest in the wells.

Exhibit A

7. In **Case No. 23997**, Applicant seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit (“HSU”), comprised of the E/2 E/2 of Section 2, Township 25 South, Range 26 East, and the E/2 E/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #1H** well (API# 30-015-49457), to be horizontally drilled from a surface hole location approximately 200’ FSL and 1,050’ FEL of Section 2, T25S-R26E, to a bottom hole location approximately 50’ FNL and 770’ FEL of Section 35, T24S-R26E. The first take point will be located at approximately 100’ FSL and 770’ FEL of Section 2, T25S-R26E. The last take point will be located at approximately 100’ FNL and 770’ FEL of Section 35, T24S-R26E.

8. In **Case No. 23998**, Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 640-acre, more or less, horizontal spacing and proration unit (“HSU”), with proximity tracts, comprised of the W/2 E/2 and E/2 W/2 of Section 2, Township 25 South, Range 26 East and the W/2 E/2 and E/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #2H** well (API# 30-015-49459), to be horizontally drilled from a surface hole location approximately 200’ FSL and 1,070’ FEL of Section 2, T25S-R26E, to a bottom hole location approximately 50’ FNL and 2,501’ FEL of Section 35, T24S-R26E. The first take point will be located at approximately 100’ FSL and 2,555’ FEL of Section 2, T25S-R26E. The last take point will be located at approximately 100’ FNL and 2,501’ FEL of Section 35, T24S-R26E.

9. In **Case No. 23999**, Applicant seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the W/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #3H** well (API# 30-015-49664), to be horizontally drilled from a surface hole location approximately 396' FSL and 1,156' FWL of Section 2, T25S-R26E, to a bottom hole location approximately 50' FNL and 680' FWL of Section 35, T24S-R26E. The first take point will be located at approximately 100' FSL and 680' FWL of Section 2, T25S-R26E. The last take point will be located at approximately 100' FNL and 680' FWL of Section 35, T24S-R26E.

10. Applicant is in the process of changing the well names on the permits from Jawbone Fed Com LW #13H, #14H, and #15H to Jawbone Fed Com BS #1H, #2H, and #3H, respectively. In addition, Applicant has submitted sundry notices changing the depths in the permits from the Wolfcamp formation to the Bone Spring formation. The sundry notices are attached hereto as Exhibit A-9.

11. The first and last take points and completed intervals for all proposed wells will meet the setback requirements set forth in the statewide rules for horizontal oil wells and special pool rules or statewide rules, as applicable, for horizontal oil wells.

12. A general location map is attached as **Exhibit A-1**.

13. Maps illustrating the tracts in the proposed HSUs are attached as **Exhibits A-2**.

14. Maps illustrating the ownership in each tract are attached as **Exhibits A-3**. FE Permian Owner I, LLC ("FE Permian") is a partnership that Flat Creek manages whereby FE

Permian is the record title owner of Flat Creek and FE Permian's leasehold and minerals. Flat Creek is the designated operator and manager of these assets pursuant to a Management Services Agreement between the parties.

15. Unit ownership and lists of pertinent leases are included as **Exhibits A-4**. The parties being forcepooled are highlighted in yellow. There are no depth severances in the formations being pooled.

16. A chronology of contacts with the non-joined working interest owners to be pooled is attached as **Exhibits A-5**.

17. The locations of the proposed wells within the respective HSUs are depicted in the C-102 forms attached as **Exhibit A-6**. The C-102 forms also indicate the locations of each surface hole, bottom hole, and the first and last take points.

18. Flat Creek conducted a diligent search of the public records in Eddy County, New Mexico, where the wells will be located, and conducted phone directory and computer searches to obtain contact information for parties entitled to notification.

19. Flat Creek mailed all parties well proposals, including an Authorization for Expenditure ("AFE") for each well. **Exhibit A-7** includes a copy of each well proposal letter and AFEs for the proposed wells. The estimated costs of the wells set forth in the AFEs are fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

20. **Exhibit A-8** is a sample copy of the notice letter that was sent with the applications to the uncommitted working interest owners to be pooled in the proposed HSUs, to the Bureau of Land Management, and to the State Land Office.

21. Flat Creek has made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells.

22. Flat Creek requests the Division to approve operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures.

23. Flat Creek requests the maximum cost, plus 200% risk charge, be assessed against non-consenting working interest owners.

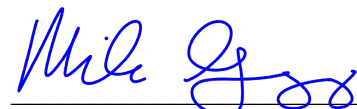
24. Flat Creek requests that it be designated operator of the wells.

25. The exhibits hereto were prepared by me or compiled from Flat Creek's business records.

26. The granting of the Applications is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

27. The foregoing is correct and complete to the best of my knowledge and belief.

I affirm under penalty of perjury under the laws of the State of New Mexico that this statement is true and correct.



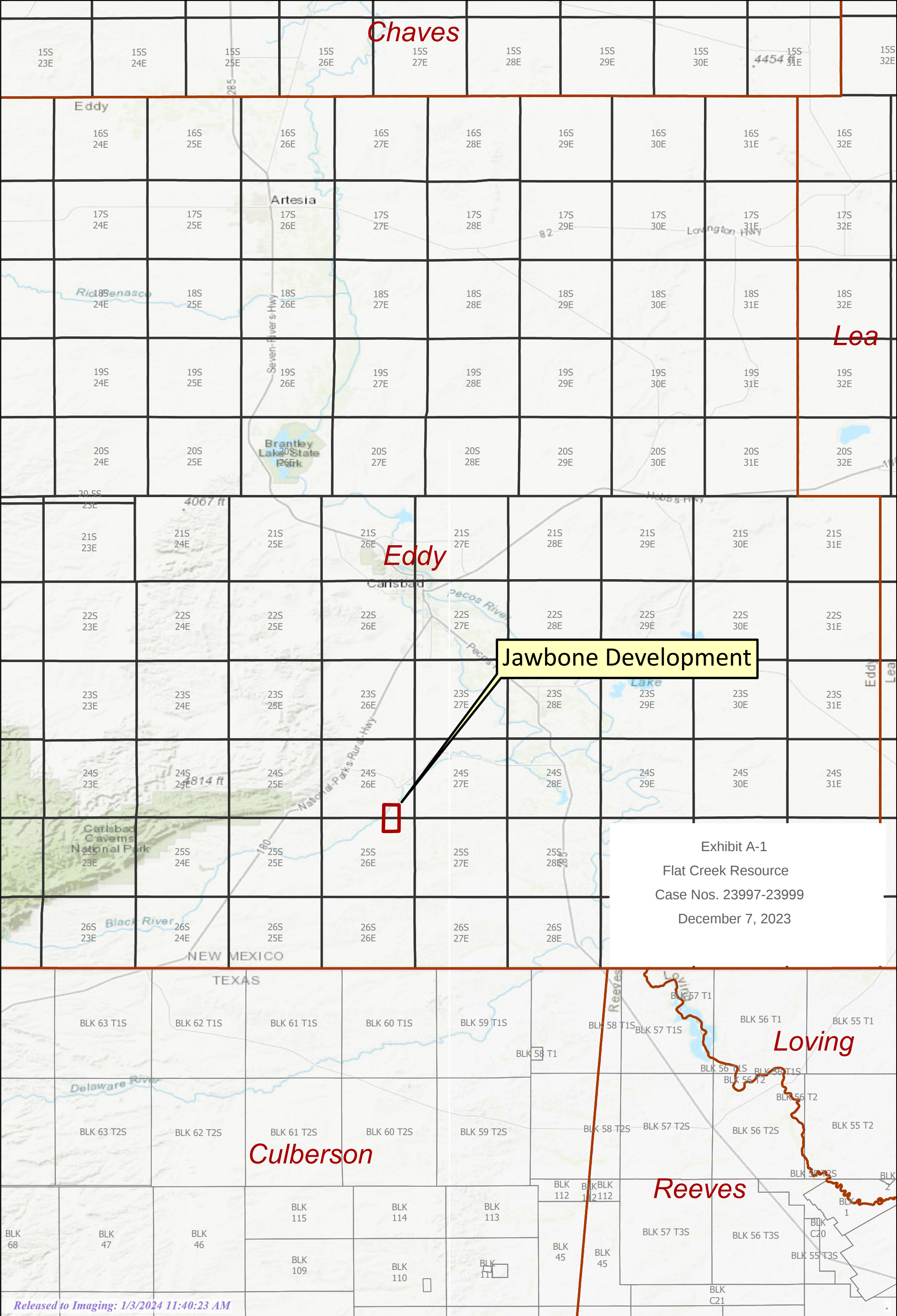
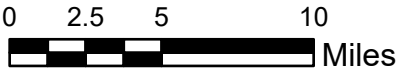
Michael Gregory

12/5/2023

DATE



Jawbone Development
Section 2 of 25S-26E and Section 35 of 24S-26E, Eddy County, NM



Jawbone Fed Com Wells

T24S - R26E & T25S - 26E, Eddy County, New Mexico

Tract Map - E2E2 Unit

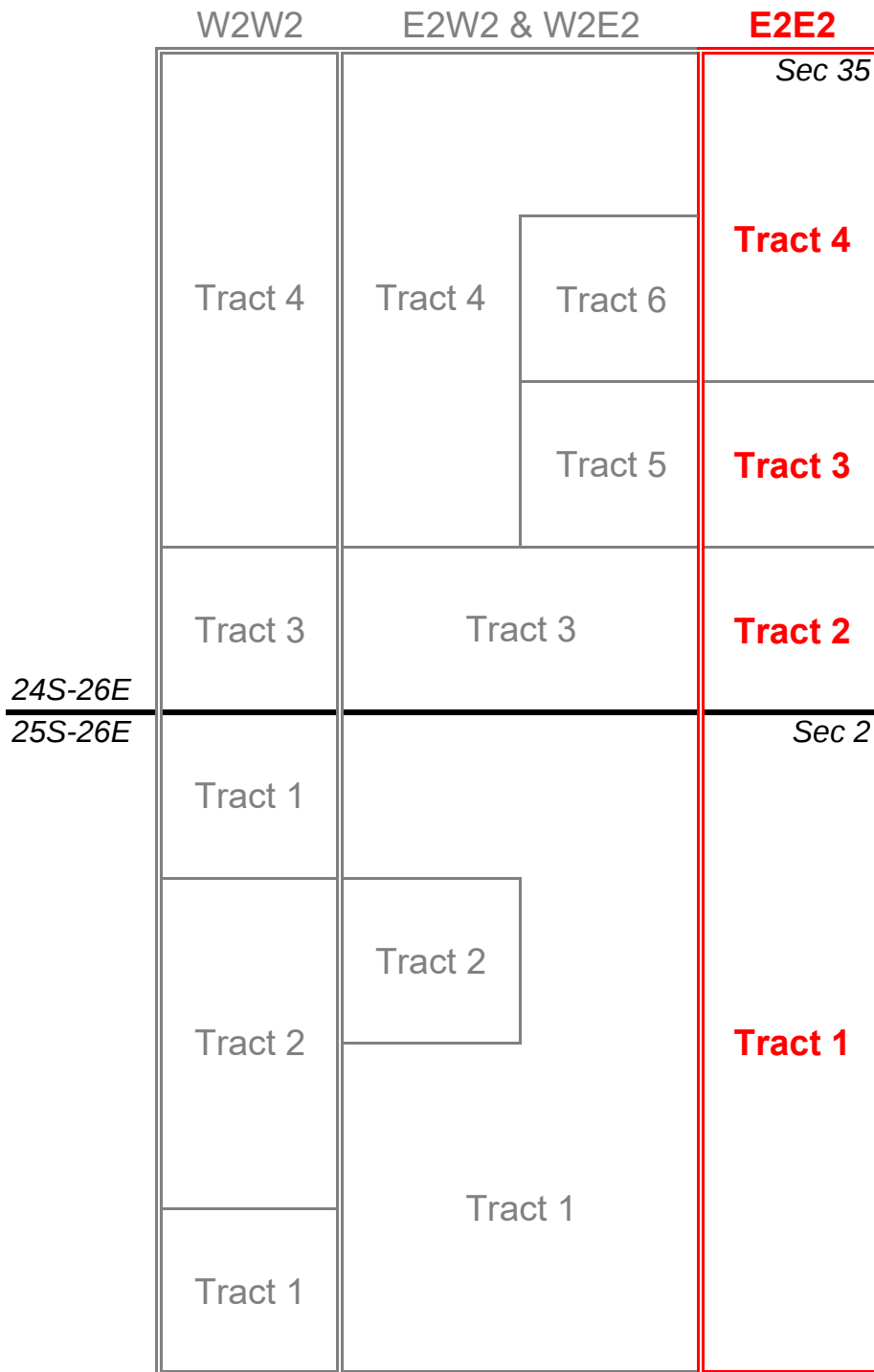
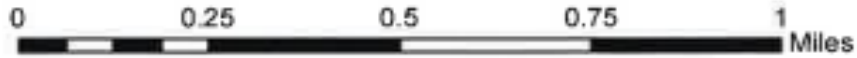


Exhibit A-2
Flat Creek Resource
Case Nos. 23997-23999
December 7, 2023

Case No. 23997
1H aka 13H
E2E2

Tract Outline
 Unit Outline



Jawbone Fed Com Wells

T24S - R26E & T25S - 26E, Eddy County, New Mexico

Tract Map - E2W2 & W2E2 Unit

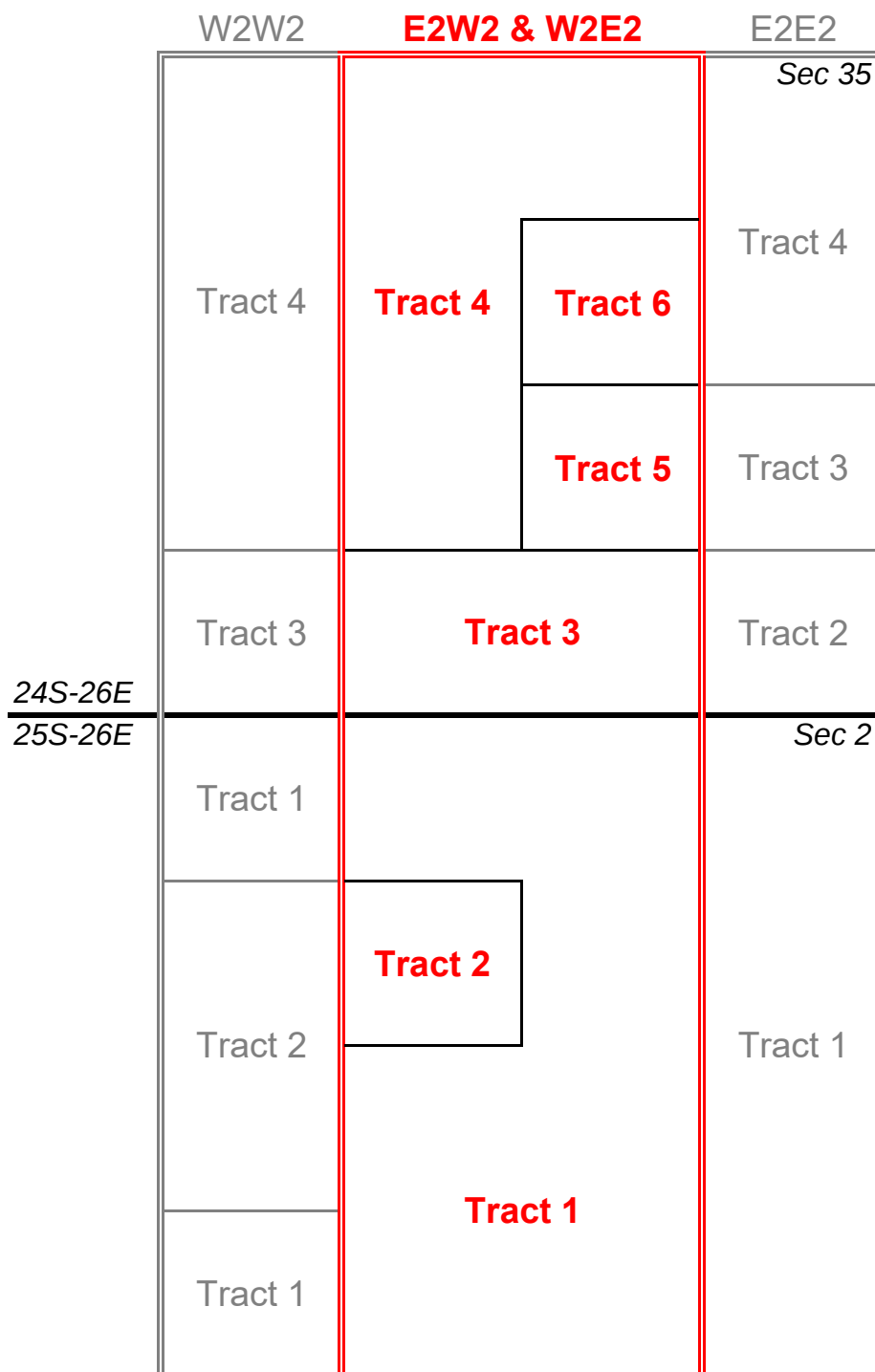
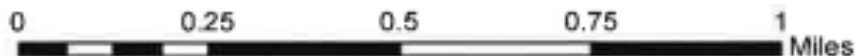


Exhibit A-2
Flat Creek Resource
Case Nos. 23997-23999
December 7, 2023

Case No. 23998
2H aka 14H
E2W2 & W2E2

Tract Outline
 Unit Outline



Jawbone Fed Com Wells

T24S - R26E & T25S - 26E, Eddy County, New Mexico

Tract Map - W2W2 Unit

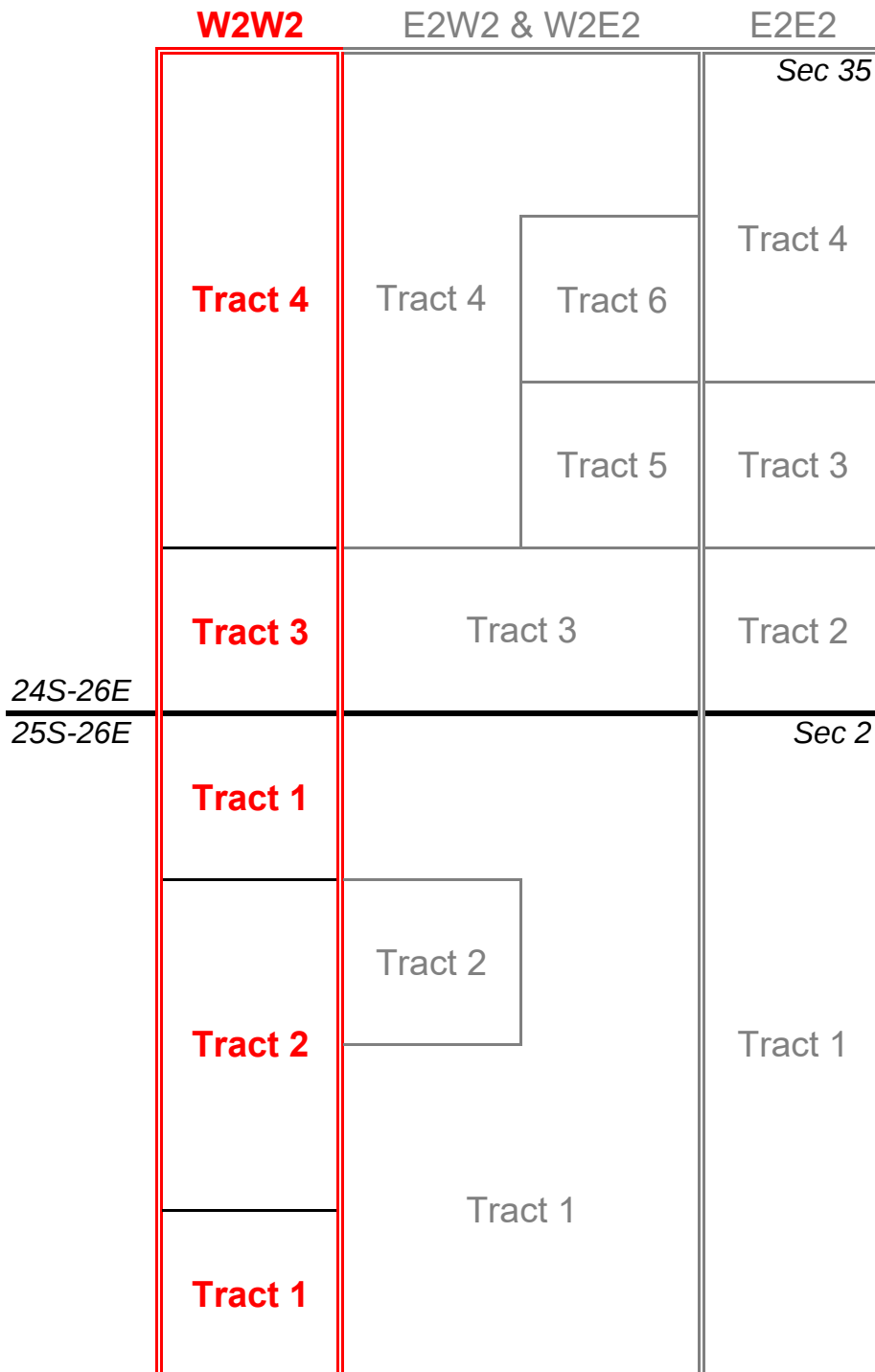
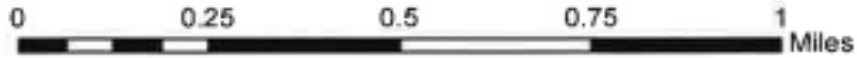


Exhibit A-2

Flat Creek Resource
Case Nos. 23997-23999

December 7, 2023

Case No. 23999

3H aka 15H

W2W2

Tract Outline

Unit Outline



Jawbone Fed Com Wells

T24S - R26E & T25S - 26E, Eddy County, New Mexico

Ownership Map - E2E2 Unit



E2E2

Tract 4

Tract 3

Tract 2

Tract 1

24S-26E
25S-26E

Sec 35
Sec 2

Tract 1:

FE Permian Owner I, LLC - 90%
MEC Petroleum Corp. - 10%

Tract 2:

FE Permian Owner I, LLC - 45%
MEC Petroleum Corp. - 5%
Durango Production Corp. - 50%

Tract 3:

FE Permian Owner I, LLC - 45%
MEC Petroleum Corp. - 5%
WPX Energy Production Co, LLC - 50%

Tract 4:

FE Permian Owner I, LLC - 90%
MEC Petroleum Corp. - 10%

Exhibit A-3

Flat Creek Resource

Case Nos. 23997-23999

December 7, 2023

Case No. 23997

1H aka 13H

E2E2

Unit Size:
320.20 Acres

-  Tract Outline
-  Unit Outline
-  BLM Tract



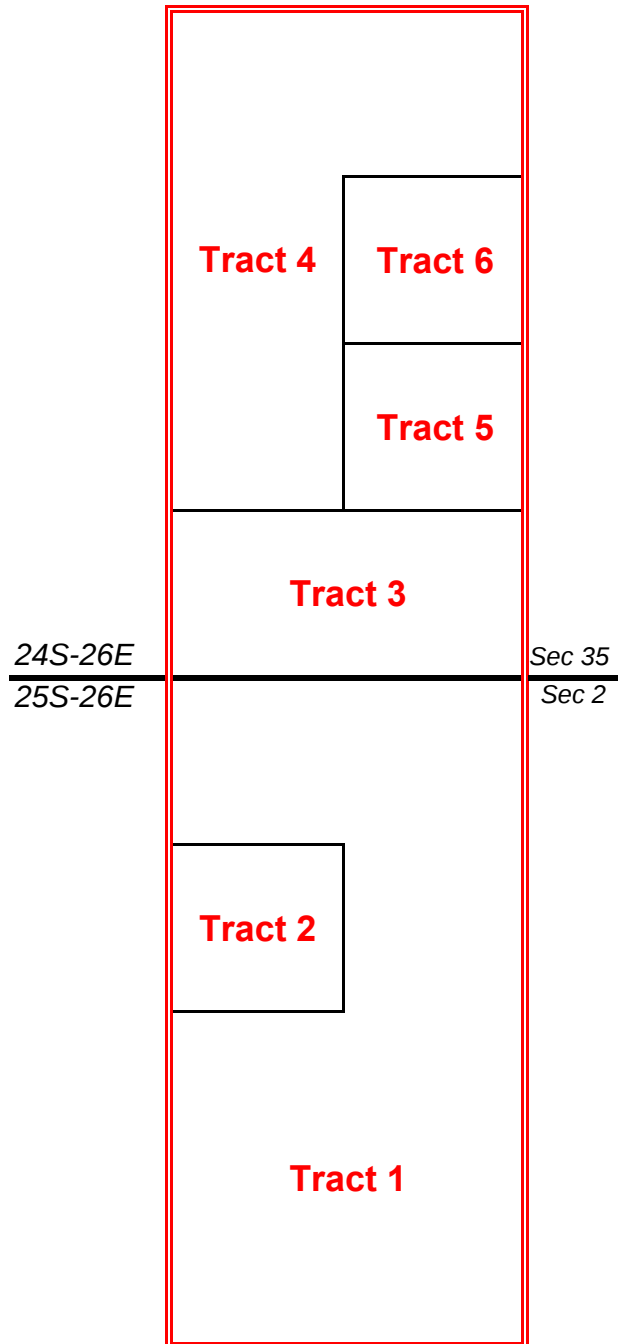
Jawbone Fed Com Wells

T24S - R26E & T25S - 26E, Eddy County, New Mexico

Ownership Map - E2W2 & W2E2 Unit



E2W2 & W2E2



Tract 1:

FE Permian Owner I, LLC - 90%
MEC Petroleum Corp. - 10%

Tract 2:

FE Permian Owner I, LLC - 90%
MEC Petroleum Corp. - 10%

Tract 3:

FE Permian Owner I, LLC - 45%
MEC Petroleum Corp. - 5%
Durango Production Corp. - 50%

Tract 4:

FE Permian Owner I, LLC - 45%
MEC Petroleum Corp. - 5%
WPX Energy Production Co, LLC - 50%

Tract 5:

FE Permian Owner I, LLC - 45%
MEC Petroleum Corp. - 5%
WPX Energy Production Co, LLC - 50%

Tract 6:

FE Permian Owner I, LLC - 90%
MEC Petroleum Corp. - 10%

Exhibit A-3

Flat Creek Resource

Case Nos. 23997-23999

December 7, 2023

Case No. 23998

2H aka 14H

E2W2 & W2E2

Unit Size:
640.16 Acres

- Tract Outline
- Unit Outline
- BLM Tract



Jawbone Fed Com Wells

T24S - R26E & T25S - 26E, Eddy County, New Mexico

Ownership Map - W2W2 Unit

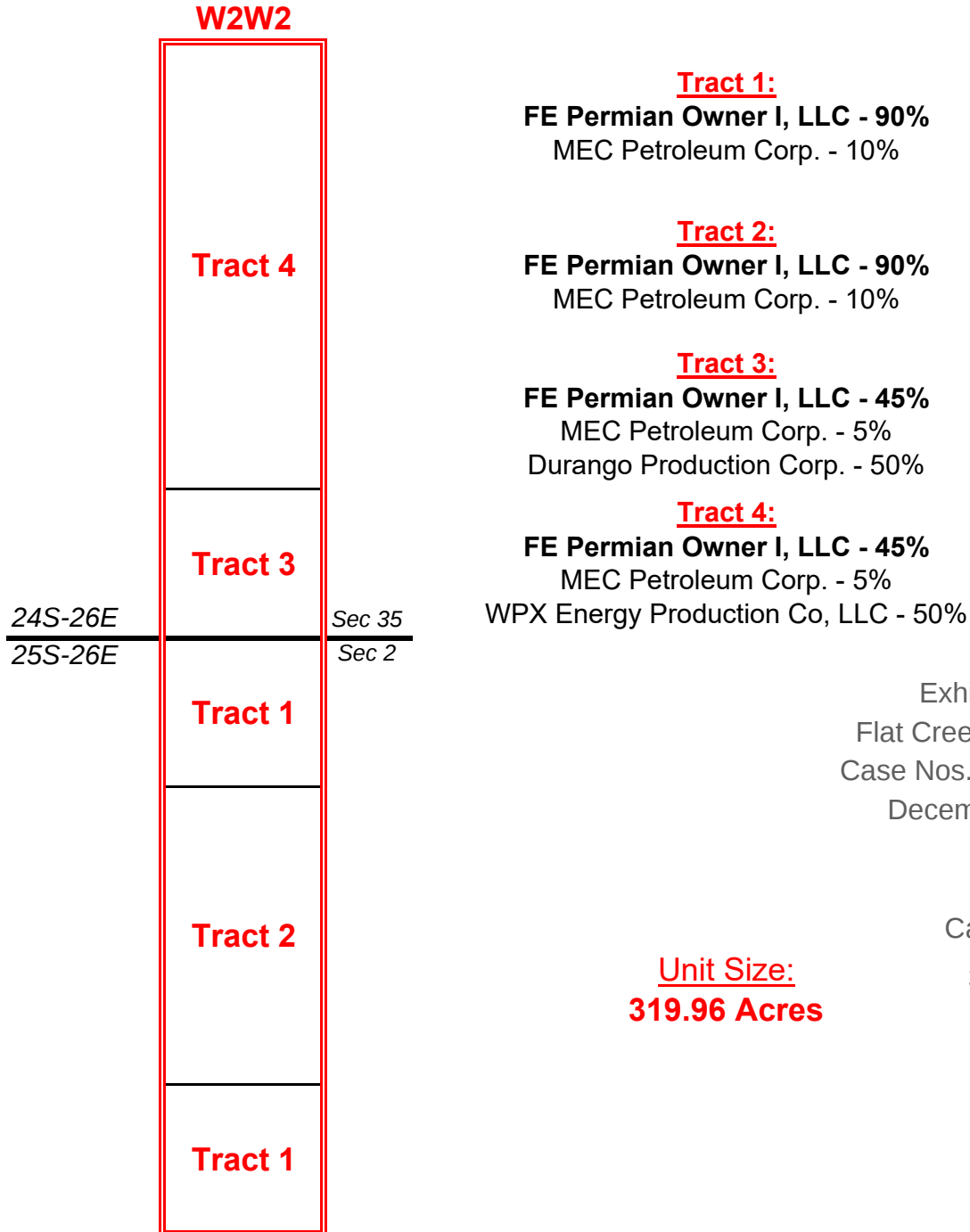


Exhibit A-3
Flat Creek Resource
Case Nos. 23997-23999
December 7, 2023

Case No. 23999
3H aka 15H
W2W2

Unit Size:
319.96 Acres

- Tract Outline
- Unit Outline
- BLM Tract



Ownership Breakdown - E2E2 Unit

NOTE: The parties being force pooled are highlighted in yellow.

Owner Name	Address	Ownership Type	Tract(s)	Unit Net Acres	Unit Working Interest	Unit ORRI
FE Permian Owner I, LLC	777 Main Street, Suite 3600 Fort Worth, TX 76102	Leasehold Interest	1, 2, 3, 4	252.18	78.7570%	n/a
MEC Petroleum Corp.	PO Box 11265 Midland, Texas 79702-8265	Leasehold Interest	1, 2, 3, 4	28.02	8.7508%	n/a
Durango Production Corp.	2663 Plaza Parkway Wichita Falls, TX 76308	Leasehold Interest	2	20.00	6.2461%	n/a
WPX Energy Production Company, LLC	333 West Sheridan Avenue Oklahoma City, OK 73102	Leasehold Interest	3	20.00	6.2461%	n/a
Murchison Oil and Gas, LLC	7250 Dallas Pkwy, Ste 1400 Plano, Texas 75024	Overriding Royalty Interest	1, 2, 3, 4	n/a	n/a	0.7876%
Pegasus Resources II, LLC	P.O. Box 470698 Fort Worth, TX 76147	Overriding Royalty Interest	4	n/a	n/a	0.4963%
SEP Permian Holding Corporation	P.O. Box 79840 Houston, Texas 77279	Overriding Royalty Interest	4	n/a	n/a	0.9089%
Paloma Natural Gas Holdings, LLC	1100 Louisiana, Suite 5100 Houston, Texas 77002	Overriding Royalty Interest	4	n/a	n/a	0.0280%
Permian Basin GIF I, LLC	P.O. Box 470844 Fort Worth, TX 76147	Overriding Royalty Interest	4	n/a	n/a	0.0781%
A. G. Andrikopoulos Resources, Inc.	P.O. Box 788 Cheyenne, WY 82003-0788	Overriding Royalty Interest	4	n/a	n/a	0.2082%
Shogoil & Gas Co., LLC	P.O. Box 209 Hay Springs, NE 69347	Overriding Royalty Interest	4	n/a	n/a	0.1041%
Shogoil & Gas Co. II, LLC	P.O. Box 29450 Santa Fe, NM 87592-9450	Overriding Royalty Interest	4	n/a	n/a	0.1041%
Syghan, LP	P.O. Box 92349 Austin, TX 78709-2349	Overriding Royalty Interest	4	n/a	n/a	0.2082%
Lisha N. Davila Kovacevic	3481 Hickory Court Marietta, GA 30062	Overriding Royalty Interest	4	n/a	n/a	0.0251%
Summer Lorraine Davila	5326 Blossom Drive Sugar Hill, GA 30518	Overriding Royalty Interest	4	n/a	n/a	0.0251%
Concho Resources, Inc.	P.O. Box 7500 Bartlesville, OK 74005	Overriding Royalty Interest	3	n/a	n/a	0.5934%
Concho Oil & Gas LLC	P.O. Box 7500 Bartlesville, OK 74005	Overriding Royalty Interest	3	n/a	n/a	0.0312%
TOTALS				320.20	100.0000%	3.5983%

Lease Schedule - E2E2 Unit

Lessor	Lessee	Effective Date	S, T, R	County, State	Unit Tract	Vol / Page
State of NM - L 896	Pubco Petroleum Corp	05/21/1968	Sec 2, 25S, 26E	Eddy, NM	1	61 / 512
USA NMNM 0441951	J H Leib, et al	10/01/1963	Sec 35, 24S, 26E	Eddy, NM	2	n/a
USA NMNM 16625	Ruby E Burkhead	09/01/1972	Sec 35, 24S, 26E	Eddy, NM	3	n/a
USA NMNM 21158	WR Carter & Frank W McKinney	06/01/1974	Sec 35, 24S, 26E	Eddy, NM	4	n/a

Revised Exhibit A-4
Flat Creek Resource
Case Nos. 23997-23999
January 4, 2024

Case No. 23997
1H aka 13H
E2E2

Ownership Breakdown - E2W2 & W2E2 Unit

NOTE: The parties being force pooled are highlighted in yellow.

Owner Name	Address	Ownership Type	Tract(s)	Unit Net Acres	Unit Working Interest	Unit ORRI
FE Permian Owner I, LLC	777 Main Street, Suite 3600 Fort Worth, TX 76102	Leasehold Interest	1, 2, 3, 4, 5, 6	450.14	70.3174%	n/a
MEC Petroleum Corp.	PO Box 11265 Midland, Texas 79702-8265	Leasehold Interest	1, 2, 3, 4, 5, 6	50.02	7.8130%	n/a
Durango Production Corp.	2663 Plaza Parkway Wichita Falls, TX 76308	Leasehold Interest	3	40.00	6.2484%	n/a
WPX Energy Production Company, LLC	333 West Sheridan Avenue Oklahoma City, OK 73102	Leasehold Interest	4, 5	100.00	15.6211%	n/a
Murchison Oil & Gas, LLC	7250 Dallas Pkwy, Ste 1400 Plano, Texas 75024	Overriding Royalty Interest	1, 2, 3, 4, 5, 6	n/a	n/a	0.7032%
EL Latham Co.	P. O. Box 100912 Fort Worth, Texas 76185	Overriding Royalty Interest	2	n/a	n/a	0.0976%
1B4S Enterprises, LLC	3203 Bowie Street Amarillo, Texas 79109	Overriding Royalty Interest	2	n/a	n/a	0.0586%
Blue Hole Investments	5210 W Verde Circle Benbrook, Texas 76126	Overriding Royalty Interest	2	n/a	n/a	0.0586%
Mumford & Company	11601 Woodmar NE Albuquerque, NM 87111	Overriding Royalty Interest	2	n/a	n/a	0.0586%
Pegasus Resources II, LLC	P.O. Box 470698 Fort Worth, TX 76147	Overriding Royalty Interest	2, 6	n/a	n/a	0.2413%
SEP Permian Holding Corporation	P.O. Box 79840 Houston, Texas 77279	Overriding Royalty Interest	6	n/a	n/a	0.2273%
Paloma Natural Gas Holdings, LLC	1100 Louisiana, Suite 5100 Houston, Texas 77002	Overriding Royalty Interest	6	n/a	n/a	0.0070%
Permian Basin GIF I, LLC	P.O. Box 470844 Fort Worth, TX 76147	Overriding Royalty Interest	6	n/a	n/a	0.0195%
A. G. Andrikopoulos Resources, Inc.	P.O. Box 788 Cheyenne, WY 82003-0788	Overriding Royalty Interest	6	n/a	n/a	0.0521%
Shogoil & Gas Co., LLC	P.O. Box 209 Hay Springs, NE 69347	Overriding Royalty Interest	6	n/a	n/a	0.0260%
Shogoil & Gas Co. II, LLC	P.O. Box 29450 Santa Fe, NM 87592-9450	Overriding Royalty Interest	6	n/a	n/a	0.0260%
Sydhon, LP	P.O. Box 92349 Austin, TX 78709-2349	Overriding Royalty Interest	6	n/a	n/a	0.0521%
Lisha N. Davila Kovacevic	3481 Hickory Court Marietta, GA 30062	Overriding Royalty Interest	6	n/a	n/a	0.0063%
Summer Lorraine Davila	5326 Blossom Drive Sugar Hill, GA 30518	Overriding Royalty Interest	6	n/a	n/a	0.0063%
Concho Resources, Inc.	P.O. Box 7500 Bartlesville, OK 74005	Overriding Royalty Interest	5	n/a	n/a	0.2968%
Concho Oil & Gas LLC	P.O. Box 7500 Bartlesville, OK 74005	Overriding Royalty Interest	5	n/a	n/a	0.0156%
TOTALS				640.16	100.0000%	1.9529%

Lease Schedule - E2W2 & W2E2 Unit

Lessor	Lessee	Effective Date	S, T, R	County, State	Unit Tract	Vol / Page
State of NM - L 896	Pubco Petroleum Corp	05/21/1968	Sec 2, 25S, 26E	Eddy, NM	1	61 / 512
State of NM - L 6921	EL Latham Jr.	02/01/1972	Sec 2, 25S, 26E	Eddy, NM	2	91 / 290
USA NMNM 0441951	J H Leib, et al	10/01/1963	Sec 35, 24S, 26E	Eddy, NM	3	n/a
Wayne Moore, et al	Earl Whisnand	10/10/1972	Sec 35, 24S, 26E	Eddy, NM	4	91 / 766
USA NMNM 16625	Ruby E Burkhead	09/01/1972	Sec 35, 24S, 26E	Eddy, NM	5	n/a
USA NMNM 21158	WR Carter & Frank W McKinney	06/01/1974	Sec 35, 24S, 26E	Eddy, NM	6	n/a

Revised Exhibit A-4
Flat Creek Resource
Case Nos. 23997-23999
January 4, 2024

Case No. 23998

2H aka 14H

E2W2 & W2E2

Ownership Breakdown - W2W2 Unit

NOTE: The parties being force pooled are highlighted in yellow.

Owner Name	Address	Ownership Type	Tract(s)	Unit Net Acres	Unit Working Interest	Unit ORRI
FE Permian Owner I, LLC	777 Main Street, Suite 3600 Fort Worth, TX 76102	Leasehold Interest	1, 2, 3, 4	215.96	67.4972%	n/a
MEC Petroleum Corp.	PO Box 11265 Midland, Texas 79702-8265	Leasehold Interest	1, 2, 3, 4	24.00	7.4997%	n/a
Durango Production Corp.	2663 Plaza Parkway Wichita Falls, TX 76308	Leasehold Interest	3	20.00	6.2508%	n/a
WPX Energy Production Company, LLC	333 West Sheridan Avenue Oklahoma City, OK 73102	Leasehold Interest	4	60.00	18.7523%	n/a
Murchison Oil & Gas, LLC	7250 Dallas Pkwy, Ste 1400 Plano, Texas 75024	Overriding Royalty Interest	1, 2, 3, 4	n/a	n/a	0.6750%
EL Latham Co.	P. O. Box 100912 Fort Worth, Texas 76185	Overriding Royalty Interest	2	n/a	n/a	0.3907%
1B4S Enterprises, LLC	3203 Bowie Street Amarillo, Texas 79109	Overriding Royalty Interest	2	n/a	n/a	0.2344%
Blue Hole Investments	5210 W Verde Circle Benbrook, Texas 76126	Overriding Royalty Interest	2	n/a	n/a	0.2344%
Mumford & Company	11601 Woodmar NE Albuquerque, NM 87111	Overriding Royalty Interest	2	n/a	n/a	0.2344%
Pegasus Resources II, LLC	P.O. Box 470698 Fort Worth, TX 76147	Overriding Royalty Interest	2	n/a	n/a	0.4688%
TOTALS				319.96	100.0000%	2.2377%

Lease Schedule - W2W2 Unit

Lessor	Lessee	Effective Date	S, T, R	County, State	Unit Tract	Vol / Page
State of NM - L 896	Pubco Petroleum Corp	05/21/1968	Sec 2, 25S, 26E	Eddy, NM	1	61 / 512
State of NM - L 6921	EL Latham Jr.	02/01/1972	Sec 2, 25S, 26E	Eddy, NM	2	91 / 290
USA NM 0441951	J H Leib, et al	10/01/1963	Sec 35, 24S, 26E	Eddy, NM	3	n/a
Wayne Moore, et al	Earl Whisnand	10/10/1972	Sec 35, 24S, 26E	Eddy, NM	4	91 / 766

Revised Exhibit A-4
Flat Creek Resource
Case Nos. 23997-23999
January 4, 2024

Case No. 23999
3H aka 15H
W2W2

Chronology of Contacts - E2E2 Unit

Owner Name	Address	Ownership Type	Tract(s)	Contact Summary (2023)
MEC Petroleum Corp.	PO Box 11265 Midland, Texas 79702-8265	Leasehold Interest	1, 2, 3, 4	9/12 - Introductory phone call 10/3 - Mailed well proposal to MEC 10/10 - Emails addressing questions from MEC 11/2 - MEC advised Flat Creek that it will participate 11/6 - Emails regarding development timing 12/7 - 12/8 - Emails regarding status conference, JOA, and information requested by MEC 12/12 - Email providing information requested by MEC 12/13 - Email providing additional information requested by MEC 12/21 - Email to MEC regarding JOA to be provided after Christmas 12/29 - Flat Creek emailed a draft JOA to MEC
Durango Production Corp.	2663 Plaza Parkway Wichita Falls, TX 76308	Leasehold Interest	2	10/3 - Mailed well proposals to Durango 10/11 - Call w/ Durango to confirm ownership percentages; Durango asked for purchase offer 10/16-17 - Flat Creek delivered purchase offer and Durango countered the offer 10/23 - Call w/ Ron Jackson from Durango to discuss plans; he stated he had no interest in participating and will sell his interest to us or somebody else 10/25 - Email from Ron Jackson; he reiterated that his financial exposure is too great for this project 10/27 - 11/17 - Emails regarding purchase offer; Flat Creek and Durango cannot agree on valuation but Ron Jackson reiterated via email that he will sell his interest 12/4 - Flat Creek emailed Ron Jackson to understand his concerns so we can try to address them 12/5 - Flat Creek provided additional information to Durango to address its concerns 12/20 - Call and email regarding revised purchase offer 12/22 - Durango called Flat Creek to verbally accept Flat Creek's purchase offer 12/26 - Email from Durango to Flat Creek to confirm acceptance of purchase offer; Flat Creek informed Durango that it is seeking board approval 12/28 - Flat Creek emailed Durango stating that board approval has been obtained and will close the deal in mid-January.
WPX Energy Production Company, LLC	333 West Sheridan Avenue Oklahoma City, OK 73102	Leasehold Interest	3	9/7 - Emails into WPX to find right contact 10/3 - Mailed well proposal to WPX 11/8 - Phone call to discuss WPX's ownership 12/20 - Call with WPX to inform them of the pooling status and to confirm their support of our development plans.

Revised Exhibit A-5
Flat Creek Resource
Case Nos. 23997-23999
January 4, 2024

Case No. 23997
1H aka 13H

E2E2

Chronology of Contacts - E2W2 & W2E2 Unit

Owner Name	Address	Ownership Type	Tract(s)	Contact Summary (2023)
MEC Petroleum Corp.	PO Box 11265 Midland, Texas 79702-8265	Leasehold Interest	1, 2, 3, 4, 5, 6	9/12 - Introductory phone call 10/3 - Mailed well proposal to MEC 10/10 - Emails addressing questions from MEC 11/2 - MEC advised Flat Creek that it will participate 11/6 - Emails regarding development timing 12/7 - 12/8 - Emails regarding status conference, JOA, and information requested by MEC 12/12 - Email providing information requested by MEC 12/13 - Email providing additional information requested by MEC 12/21 - Email to MEC regarding JOA to be provided after Christmas 12/29 - Flat Creek emailed a draft JOA to MEC
Durango Production Corp.	2663 Plaza Parkway Wichita Falls, TX 76308	Leasehold Interest	3	10/3 - Mailed well proposals to Durango 10/11 - Call w/ Durango to confirm ownership percentages; Durango asked for purchase offer 10/16-17 - Flat Creek delivered purchase offer and Durango countered the offer 10/23 - Call w/ Ron Jackson from Durango to discuss plans; he stated he had no interest in participating and will sell his interest to us or somebody else 10/25 - Email from Ron Jackson; he reiterated that his financial exposure is too great for this project 10/27 - 11/17 - Emails regarding purchase offer; Flat Creek and Durango cannot agree on valuation but Ron Jackson reiterated via email that he will sell his interest 12/4 - Flat Creek emailed Ron Jackson to understand his concerns so we can try to address them 12/5 - Flat Creek provided additional information to Durango to address its concerns 12/20 - Call and email regarding revised purchase offer 12/22 - Durango called Flat Creek to verbally accept Flat Creek's purchase offer 12/26 - Email from Durango to Flat Creek to confirm acceptance of purchase offer; Flat Creek informed Durango that it is seeking board approval 12/28 - Flat Creek emailed Durango stating that board approval has been obtained and will close the deal in mid-January.
WPX Energy Production Company, LLC	333 West Sheridan Avenue Oklahoma City, OK 73102	Leasehold Interest	4, 5	9/7 - Emails into WPX to find right contact 10/3 - Mailed well proposal to WPX 11/8 - Phone call to discuss WPX's ownership 12/20 - Call with WPX to inform them of the pooling status and to confirm their support of our development plans.

Revised Exhibit A-5
Flat Creek Resource
Case Nos. 23997-23999
January 4, 2024

Case No. 23998
2H aka 14H
E2W2 & W2E2

Chronology of Contacts - W2W2 Unit

Owner Name	Address	Ownership Type	Tract(s)	Contact Summary (2023)
MEC Petroleum Corp.	PO Box 11265 Midland, Texas 79702-8265	Leasehold Interest	1, 2, 3, 4	9/12 - Introductory phone call 10/3 - Mailed well proposal to MEC 10/10 - Emails addressing questions from MEC 11/2 - MEC advised Flat Creek that it will participate 11/6 - Emails regarding development timing 12/7 - 12/8 - Emails regarding status conference, JOA, and information requested by MEC 12/12 - Email providing information requested by MEC 12/13 - Email providing additional information requested by MEC 12/21 - Email to MEC regarding JOA to be provided after Christmas 12/29 - Flat Creek emailed a draft JOA to MEC
Durango Production Corp.	2663 Plaza Parkway Wichita Falls, TX 76308	Leasehold Interest	3	10/3 - Mailed well proposals to Durango 10/11 - Call w/ Durango to confirm ownership percentages; Durango asked for purchase offer 10/16-17 - Flat Creek delivered purchase offer and Durango countered the offer 10/23 - Call w/ Ron Jackson from Durango to discuss plans; he stated he had no interest in participating and will sell his interest to us or somebody else 10/25 - Email from Ron Jackson; he reiterated that his financial exposure is too great for this project 10/27 - 11/17 - Emails regarding purchase offer; Flat Creek and Durango cannot agree on valuation but Ron Jackson reiterated via email that he will sell his interest 12/4 - Flat Creek emailed Ron Jackson to understand his concerns so we can try to address them 12/5 - Flat Creek provided additional information to Durango to address its concerns 12/20 - Call and email regarding revised purchase offer 12/22 - Durango called Flat Creek to verbally accept Flat Creek's purchase offer 12/26 - Email from Durango to Flat Creek to confirm acceptance of purchase offer; Flat Creek informed Durango that it is seeking board approval 12/28 - Flat Creek emailed Durango stating that board approval has been obtained and will close the deal in mid-January.
WPX Energy Production Company, LLC	333 West Sheridan Avenue Oklahoma City, OK 73102	Leasehold Interest	4	9/7 - Emails into WPX to find right contact 10/3 - Mailed well proposal to WPX 11/8 - Phone call to discuss WPX's ownership 12/20 - Call with WPX to inform them of the pooling status and to confirm their support of our development plans.

Revised Exhibit A-5
Flat Creek Resource
Case Nos. 23997-23999
January 4, 2024

Case No. 23999
3H aka 15H
W2W2

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

AI 618.005002.00-09

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

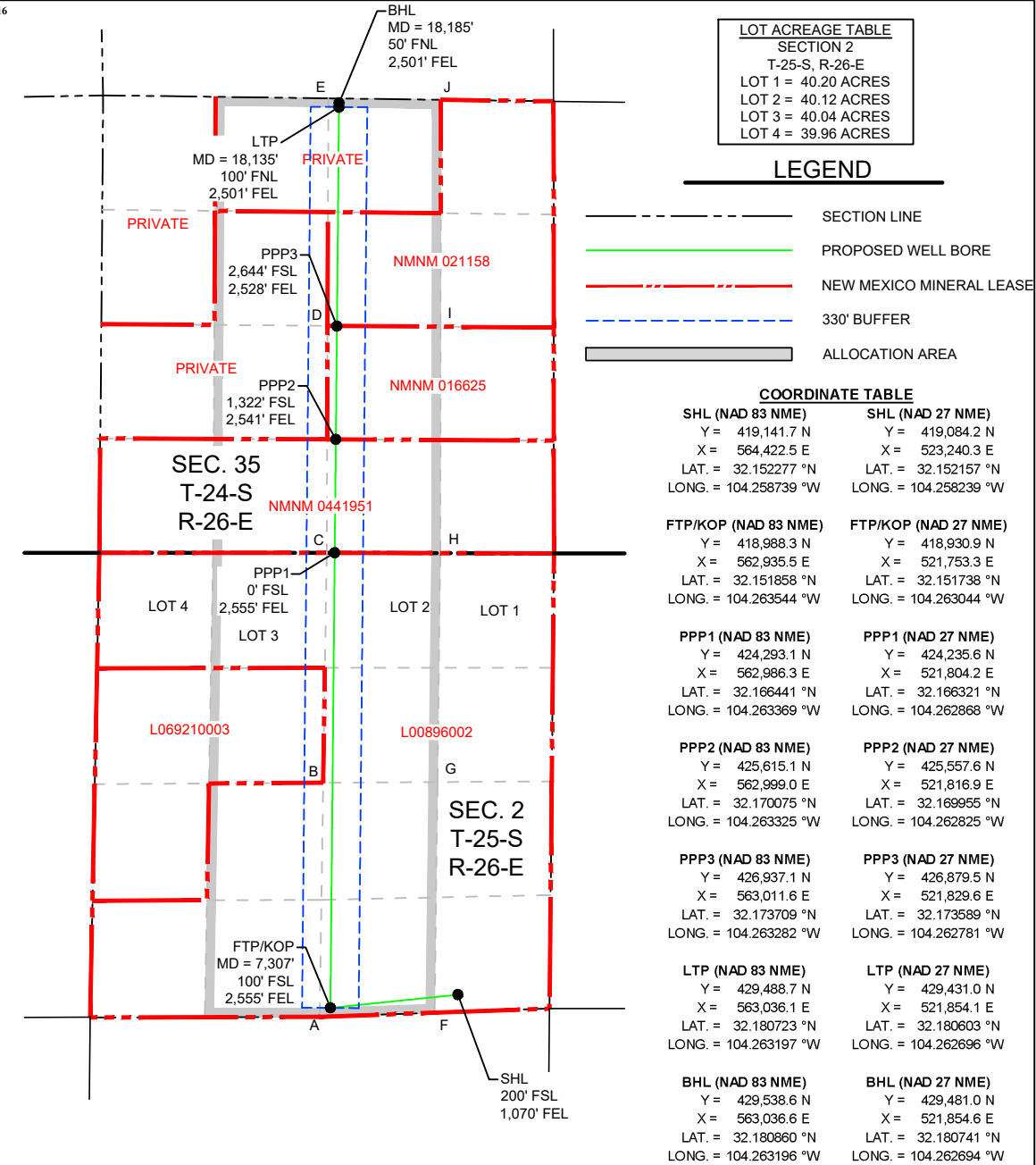
¹ API Number 30-015-49459	² Pool Code 97494	³ Pool Name COTTONWOOD DRAW; BONE SPRING (O)
⁴ Property Code	⁵ Property Name JAWBONE FED COM LW	⁶ Well Number 14H
⁷ OGRID No. 374034	⁸ Operator Name FLAT CREEK RESOURCES, LLC	⁹ Elevation 3,356'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	25 S	26 E		200	SOUTH	1,070	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	35	24 S	26 E		50	NORTH	2,501	EAST	EDDY

¹² Dedicated Acres 640.16	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

12/5/2023

Date of Survey

Signature and Seal of Professional Surveyor:

MARK DILLON HARP 23786
Certificate Number

AI 618.005002.00-10

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

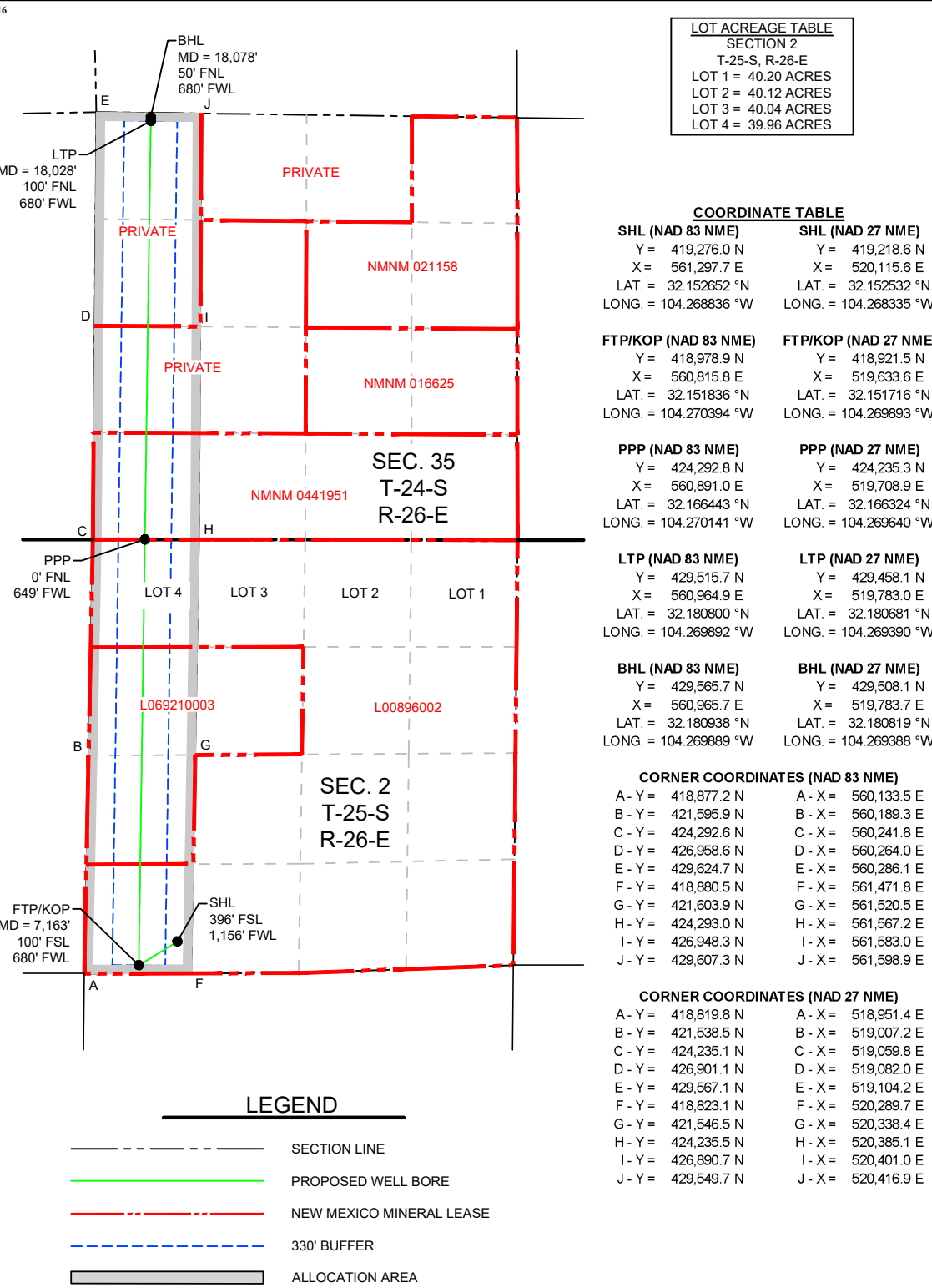
State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-49664		² Pool Code 97494		³ Pool Name COTTONWOOD DRAW; BONE SPRING (O)					
⁴ Property Code		⁵ Property Name JAWBONE FED COM LW						⁶ Well Number 15H	
⁷ OGRID No. 374034		⁸ Operator Name FLAT CREEK RESOURCES, LLC						⁹ Elevation 3,381'	
¹⁰ Surface Location									
UL or lot no. M	Section 2	Township 25 S	Range 26 E	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. D	Section 35	Township 24 S	Range 26 E	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County EDDY
¹² Dedicated Acres 319.96		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

12/5/23

Date of Survey

Signature and Seal of Professional Surveyor: _____

MARK DILLON HARP
NEW MEXICO
PROFESSIONAL SURVEYOR
23786

MARK DILLON HARP 23786
Certificate Number

AI 618.005002.00-11



October 3, 2023

SENT VIA CERTIFIED MAIL

Working Interest Owner

RE: Well Proposal
Jawbone Fed Com BS 1H (the "Well")
Section 2, 25S-26E & Section 35, 24S-26E
Eddy County, New Mexico

Dear Working Interest Owner,

Flat Creek Resources, LLC ("Flat Creek"), as Operator and on behalf of FE Permian Owner I, LLC, as working interest owner, proposes to horizontally drill and complete the Well, as further described below, to test the Bone Spring formation.

- Surface Hole Location: 200' FSL and 1,050' FEL of Section 2, 25S-26E
- First Take Point: 100' FSL and 770' FEL of Section 2, 25S-26E
- Bottom Hole Location: 100' FNL and 770' FEL of Section 35, 24S-26E
- Depth: 17,919' Measured Depth and 7,691' True Vertical Depth
- Spacing Unit: E2E2 of Section 2, 25S-26E & Section 35, 24S-26E

The estimated cost of drilling, completing and equipping the Well is \$9,403,782.29, as itemized on the enclosed Authorization for Expenditure ("AFE"). The proposed location and drilling plans described above are subject to change if permitting, surface or subsurface issues are encountered which necessitate a change.

In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to Flat Creek within thirty (30) days. Flat Creek proposes the drilling of the Well under the terms of a modified 1989 AAPL form of Operating Agreement, with Horizontal Modifications, ("JOA"), which will be provided upon request. The JOA will have the following general provisions:

- Flat Creek Resources, LLC named as Operator
- Contract Area covering the East Half of the East Half (E2E2) of Section 2, 25S-26E & Section 35, 24S-26E, limited to the Bone Spring formation
- 100%/300% Non-Consenting Penalty
- \$8,000/\$800 Drilling and Production Rates

Flat Creek is also willing to discuss possible trades or other deal structures related to your interest in the Well and proration unit. If an agreement cannot be reached within thirty (30) days from the date of this letter, Flat Creek reserves the right to apply to the New Mexico Oil Conservation District for compulsory pooling of your interest into a spacing unit for the Well.

Exhibit A-7

Jawbone Fed Com BS 1H
October 3, 2023
Page 2 of 2

If you have any questions concerning this proposal, you may contact me at (817) 310-8572 or mike.gregory@flatcreekresources.com.

Sincerely,

Flat Creek Resources, LLC



Mike Gregory, CPL
Vice President - Land

Please select one of the following and return:

_____ I/We hereby elect **TO PARTICIPATE** for our proportionate share of the costs detailed in the enclosed AFE associated with the Well.

_____ I/We hereby elect **NOT TO PARTICIPATE** for our proportionate share of the costs detailed in the enclosed AFE associated with the Well.

_____ I/We are interested in selling, trading, leasing or farming out our interest. Please contact to discuss further.

COMPANY/OWNER NAME:

By: _____

Name: _____

Title: _____

Date: _____

FLAT CREEK RESOURCES, LLC		AFE#:	WC23001
AUTHORIZATION FOR EXPENDITURE			
DRILL & COMPLETE HORIZONTAL BONE SPRING			
Date: 10/1/2023		County/State: Eddy, NM	
Lease: Jawbone Unit			
Surface Location: Sec 2, 25S-26E			
Proposed Depth: 18,000' MD			
Objective: Drill Horizontal Well, Complete ~2-Mile Lateral, Production Facility			
Account Code	Account Name	AFE Amount	
Intangible Driling Costs (310)			
310 / 1	LAND SERVICE & EXP	\$	2,000.00
310 / 4	PERMITS - SURVEY - REGULATORY	\$	2,000.00
310 / 5	LOCATION - DAMAGES - CLEAN UP	\$	150,000.00
310 / 6	RIG - MOB/DEMOB	\$	90,000.00
310 / 7	RIG - DAYWORK	\$	510,000.00
310 / 8	RIG - FOOTAGE	\$	-
310 / 9	RIG - TURNKEY	\$	-
310 / 10	COILED TBG/SNUBBING/NITROGEN	\$	-
310 / 11	FUEL - POWER - WATER	\$	90,750.00
310 / 12	COMMUNICATIONS	\$	2,250.00
310 / 13	TRANSPORTATION	\$	25,000.00
310 / 14	CONSULTING SERVICE/SUPERVISION	\$	90,000.00
310 / 15	CONTRACT LABOR & SERVICES	\$	40,000.00
310 / 16	RENTALS - DOWNHOLE	\$	37,500.00
310 / 17	RENTALS - SURFACE	\$	112,500.00
310 / 18	BITS	\$	75,000.00
310 / 19	CASING CREW & EQUIPMENT	\$	50,000.00
310 / 20	CEMENT & SERVICES	\$	150,000.00
310 / 21	DIRECTIONAL TOOLS & SERVICES	\$	130,000.00
310 / 22	FISHING TOOLS & SERVICE	\$	-
310 / 23	MUD - CHEMICALS - FLUIDS	\$	120,000.00
310 / 24	MUD LOGGING	\$	15,600.00
310 / 25	OPENHOLE LOGGING - FT - SWC	\$	-
310 / 26	ELEC/WIRELINE & PERF SERVICE	\$	-
310 / 27	DRILL STEM TESTING - CORING	\$	-
310 / 28	TUBULAR TESTING & INSPECTION	\$	10,000.00
310 / 29	CUTTINGS & FLUID DISPOSAL	\$	150,000.00
	Subtotal	\$	1,852,600.00
310 / 30	MISC & CONTINGENCY	\$	185,260.00
310 / 60	P&A COSTS	\$	-
310 / 70	NON-OP DRILLING - INTANG	\$	-
	Total Intangibles For Operations Involving Drilling Rig	\$	2,037,860.00
Tangible Drilling Costs (311)			
311 / 1	DRIVE PIPE - CONDUCTOR	\$	45,000.00
311 / 2	CASING - SURFACE	\$	23,500.00
311 / 3	CASING - INTERMEDIATE	\$	90,000.00
311 / 4	CASING - PRODUCTION	\$	612,000.00
311 / 5	CASING - LINER/TIEBACK		
311 / 6	HANGER - CSG ACCESSORY	\$	10,000.00
311 / 7	WELLHEAD EQPT	\$	90,000.00
	Subtotal	\$	870,500.00
311 / 8	MISC & CONTINGENCY	\$	87,050.00
311 / 70	NON-OP DRILLING - TANG		
	Total Tangibles For Operations Involving Drilling Rig	\$	957,550
Total Drilling Cost		\$	2,995,410

Intangible Completion Costs (320)			
320 / 1	LAND SERVICE & EXP	\$	15,000
320 / 2	LEGAL FEES & EXP	\$	-
320 / 3	INSURANCE	\$	-
320 / 4	PERMITS - SURVEY - REGULATORY	\$	-
320 / 5	LOCATION - DAMAGES - CLEAN UP	\$	15,000
320 / 6	RIG - DAYWORK	\$	-
320 / 7	RIG - COMPLETION/WORKOVER	\$	-
320 / 8	COILED TBG/SNUBBING/NITROGEN	\$	139,500
320 / 9	FUEL - POWER - WATER	\$	589,232
320 / 10	COMMUNICATIONS	\$	5,000
320 / 11	TRANSPORTATION	\$	25,000
320 / 12	CONSULTING SERVICE/SUPERVISION	\$	55,000
320 / 13	CONTRACT LABOR & SERVICES	\$	7,500
320 / 14	RENTALS - DOWNHOLE	\$	25,000
320 / 15	RENTALS - SURFACE	\$	127,875
320 / 16	BITS	\$	5,000
320 / 17	CASING CREW & EQUIPMENT	\$	-
320 / 18	CEMENT & SERVICES	\$	-
320 / 19	FISHING TOOLS & SERVICE	\$	-
320 / 20	MUD - CHEMICALS - FLUIDS	\$	165,000
320 / 21	ELEC/WIRELINE & PERF SERVICE	\$	369,500
320 / 22	TUBULAR TESTING & INSPECTION	\$	-
320 / 23	GRAVEL PACKING	\$	-
320 / 24	FRAC & STIMULATION	\$	2,689,961
320 / 25	SWABBING & WELL TESTING	\$	113,970
320 / 26	CUTTINGS & FLUID DISPOSAL	\$	82,817
320 / 28	FRAC WATER	\$	254,820
320 / 29	FRAC POND	\$	-
320 / 30	WATER TRANSFER	\$	103,400
320 / 60	P&A COSTS	\$	-
		Subtotal	\$ 4,788,574
320 / 70	NON-OP COMP - INTANG	\$	-
320 / 27	MISC & CONTINGENCY	\$	359,143
	Total Intangibles For Completions Operations	\$	5,147,717
Tangible Completion Costs (321)			
321 / 1	CASING - LINER/TIEBACK	\$	-
321 / 2	HANGER - CSG ACCESSORY	\$	-
321 / 3	PRODUCTION TUBING	\$	125,000.00
321 / 4	TUBINGHEAD & TREE	\$	35,000.00
321 / 5	PACKERS - SUBSURFACE EQUIP	\$	-
321 / 6	RODS - PUMPS - ANCHORS ETC	\$	-
321 / 7	ART LIFT - SURFACE EQUIP	\$	-
321 / 8	PUMPING UNITS - SURFACE EQUIP	\$	-
321 / 9	VALVES - FITTING - MISC EQUIP	\$	10,000.00
321 / 10	SEPARATOR/HEAT TREATER/DEHY	\$	-
321 / 11	GUN BBL/TANKS & RELATED EQUIP	\$	-
321 / 12	COMPRESSOR & RELATED EQUIP	\$	-
321 / 13	METERS - LACT UNIT	\$	-
321 / 14	SWD PUMPS & EQUIPMENT	\$	-
321 / 15	PIPELINES - TIE-INS	\$	-
321 / 16	PROD FACILITY - FAB & INSTALL	\$	-
		Subtotal	\$ 170,000.00
321 / 17	MISC & CONTINGENCY	\$	17,000.00
321 / 60	P&A COSTS	\$	-
321 / 70	NON-OP COMP - TANG	\$	-
			\$ -
	Total Tangibles For Completions Operations	\$	187,000.00
Total Completion Costs		\$	5,334,717.29

Intangible Facility Costs (330)		INTANGIBLE FACILITY COSTS	
330 / 1	LAND SERVICE & EXP	\$	4,800.00
330 / 2	LEGAL FEES & EXP	\$	-
330 / 3	CONSULTING SERVICE/SUPERVISION	\$	6,250.00
330 / 4	CONTRACT LABOR & SERVICES	\$	43,750.00
		Subtotal	\$ 54,800.00
330 / 5	MISC & CONTINGENCY	\$	5,480.00
330 / 70	NON-OP FAC - INTANG	\$	-
		\$	-
		Total Intangibles for Facility Construction	\$ 60,280.00
Tangible Facility Costs (331)		TANGIBLE FACILITY COSTS	
331 / 1	ART LIFT - SURFACE EQUIP	\$	-
331 / 2	PUMPING UNITS - SURFACE EQUIP	\$	-
331 / 3	VALVES - FITTING - MISC EQUIP	\$	155,000.00
331 / 4	SEPARATOR/HEAT TREATER/DEHY	\$	100,000.00
331 / 5	GUN BBL/TANKS & RELATED EQUIP	\$	62,500.00
331 / 6	COMPRESSOR & RELATED EQUIP	\$	150,000.00
331 / 7	METERS - LACT UNIT	\$	43,750.00
331 / 8	SWD PUMPS & EQUIPMENT	\$	21,250.00
331 / 9	PIPELINES - TIE-INS	\$	295,000.00
331 / 10	PROD FACILITY - FAB & INSTALL	\$	93,750.00
		Subtotal	\$ 921,250.00
331 / 11	MISC & CONTINGENCY	\$	92,125.00
331 / 70	NON-OP FAC- TANG	\$	-
		\$	-
		Total Tangible for Facility Construction	\$ 1,013,375.00
Total Facility Costs		\$	1,073,655.00
Total Estimated Well Cost		\$	9,403,782.29
Flat Creek Resources, LLC			
Approved By:		Title:	Date:
Authorization Requested From: John Wierzowiecki		VP Completions & Production	10/3/2023
PLEASE INDICATE YOUR APPROVAL AND AUTHORIZATION FOR YOUR PROPORTIONATE PARTE OF THE ESTIMATED EXPENDITURE AS DETAILED ABOVE BY SIGNING BELOW AND RETURNING ONE SIGNED COPY TO FLAT CREEK			
OWNERSHIP:		COST TO COMPLETE:	
DATE:		PARTICIPANTS ESTIMATED COST:	
APPROVED BY:		TITLE:	



October 3, 2023

SENT VIA CERTIFIED MAIL

Working Interest Owner

RE: Well Proposal
Jawbone Fed Com BS 2H (the "Well")
Section 2, 25S-26E & Section 35, 24S-26E
Eddy County, New Mexico

Dear Working Interest Owner,

Flat Creek Resources, LLC ("Flat Creek"), as Operator and on behalf of FE Permian Owner I, LLC, as working interest owner, proposes to horizontally drill and complete the Well, as further described below, to test the Bone Spring formation.

- Surface Hole Location: 200' FSL and 1,070' FEL of Section 2, 25S-26E
- First Take Point: 100' FSL and 2,555' FEL of Section 2, 25S-26E
- Bottom Hole Location: 100' FNL and 2,555' FEL of Section 35, 24S-26E
- Depth: 18,185' Measured Depth and 7,691' True Vertical Depth
- Spacing Unit: W2E2 and E2W2 of Sec 2, 25S-26E & Sec 35, 24S-26E

The estimated cost of drilling, completing and equipping the Well is \$9,403,782.29, as itemized on the enclosed Authorization for Expenditure ("AFE"). The proposed location and drilling plans described above are subject to change if permitting, surface or subsurface issues are encountered which necessitate a change.

In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to Flat Creek within thirty (30) days. Flat Creek proposes the drilling of the Well under the terms of a modified 1989 AAPL form of Operating Agreement, with Horizontal Modifications, ("JOA"), which will be provided upon request. The JOA will have the following general provisions:

- Flat Creek Resources, LLC named as Operator
- Contract Area covering the West Half of the East Half (W2E2) and the East Half of the West Half (E2W2) of Section 2, 25S-26E & Section 35, 24S-26E, limited to the Bone Spring formation
- 100%/300% Non-Consenting Penalty
- \$8,000/\$800 Drilling and Production Rates

Flat Creek is also willing to discuss possible trades or other deal structures related to your interest in the Well and proration unit. If an agreement cannot be reached within thirty (30) days from the date of this letter, Flat Creek reserves the right to apply to the New Mexico Oil Conservation District for compulsory pooling of your interest into a spacing unit for the Well.

Jawbone Fed Com BS 2H
October 3, 2023
Page 2 of 2

If you have any questions concerning this proposal, you may contact me at (817) 310-8572 or mike.gregory@flatcreekresources.com.

Sincerely,

Flat Creek Resources, LLC



Mike Gregory, CPL
Vice President - Land

Please select one of the following and return:

_____ I/We hereby elect **TO PARTICIPATE** for our proportionate share of the costs detailed in the enclosed AFE associated with the Well.

_____ I/We hereby elect **NOT TO PARTICIPATE** for our proportionate share of the costs detailed in the enclosed AFE associated with the Well.

_____ I/We are interested in selling, trading, leasing or farming out our interest. Please contact to discuss further.

COMPANY/OWNER NAME:

By: _____

Name: _____

Title: _____

Date: _____

FLAT CREEK RESOURCES, LLC		AFE#:	WC23001
AUTHORIZATION FOR EXPENDITURE			
DRILL & COMPLETE HORIZONTAL BONE SPRING			
Date: 10/1/2023		County/State: Eddy, NM	
Lease: Jawbone Unit			
Surface Location: Sec 2, 25S-26E			
Proposed Depth: 18,000' MD			
Objective: Drill Horizontal Well, Complete ~2-Mile Lateral, Production Facility			
Account Code	Account Name	AFE Amount	
Intangible Driling Costs (310)			
310 / 1	LAND SERVICE & EXP	\$	2,000.00
310 / 4	PERMITS - SURVEY - REGULATORY	\$	2,000.00
310 / 5	LOCATION - DAMAGES - CLEAN UP	\$	150,000.00
310 / 6	RIG - MOB/DEMOB	\$	90,000.00
310 / 7	RIG - DAYWORK	\$	510,000.00
310 / 8	RIG - FOOTAGE	\$	-
310 / 9	RIG - TURNKEY	\$	-
310 / 10	COILED TBG/SNUBBING/NITROGEN	\$	-
310 / 11	FUEL - POWER - WATER	\$	90,750.00
310 / 12	COMMUNICATIONS	\$	2,250.00
310 / 13	TRANSPORTATION	\$	25,000.00
310 / 14	CONSULTING SERVICE/SUPERVISION	\$	90,000.00
310 / 15	CONTRACT LABOR & SERVICES	\$	40,000.00
310 / 16	RENTALS - DOWNHOLE	\$	37,500.00
310 / 17	RENTALS - SURFACE	\$	112,500.00
310 / 18	BITS	\$	75,000.00
310 / 19	CASING CREW & EQUIPMENT	\$	50,000.00
310 / 20	CEMENT & SERVICES	\$	150,000.00
310 / 21	DIRECTIONAL TOOLS & SERVICES	\$	130,000.00
310 / 22	FISHING TOOLS & SERVICE	\$	-
310 / 23	MUD - CHEMICALS - FLUIDS	\$	120,000.00
310 / 24	MUD LOGGING	\$	15,600.00
310 / 25	OPENHOLE LOGGING - FT - SWC	\$	-
310 / 26	ELEC/WIRELINE & PERF SERVICE	\$	-
310 / 27	DRILL STEM TESTING - CORING	\$	-
310 / 28	TUBULAR TESTING & INSPECTION	\$	10,000.00
310 / 29	CUTTINGS & FLUID DISPOSAL	\$	150,000.00
		Subtotal	\$ 1,852,600.00
310 / 30	MISC & CONTINGENCY	\$	185,260.00
310 / 60	P&A COSTS	\$	-
310 / 70	NON-OP DRILLING - INTANG	\$	-
		Total Intangibles For Operations Involving Drilling Rig	\$ 2,037,860.00
Tangible Drilling Costs (311)			
311 / 1	DRIVE PIPE - CONDUCTOR	\$	45,000.00
311 / 2	CASING - SURFACE	\$	23,500.00
311 / 3	CASING - INTERMEDIATE	\$	90,000.00
311 / 4	CASING - PRODUCTION	\$	612,000.00
311 / 5	CASING - LINER/TIEBACK		
311 / 6	HANGER - CSG ACCESSORY	\$	10,000.00
311 / 7	WELLHEAD EQPT	\$	90,000.00
		Subtotal	\$ 870,500.00
311 / 8	MISC & CONTINGENCY	\$	87,050.00
311 / 70	NON-OP DRILLING - TANG		
		Total Tangibles For Operations Involving Drilling Rig	\$ 957,550
Total Drilling Cost		\$	2,995,410

Intangible Completion Costs (320)			
320 / 1	LAND SERVICE & EXP	\$	15,000
320 / 2	LEGAL FEES & EXP	\$	-
320 / 3	INSURANCE	\$	-
320 / 4	PERMITS - SURVEY - REGULATORY	\$	-
320 / 5	LOCATION - DAMAGES - CLEAN UP	\$	15,000
320 / 6	RIG - DAYWORK	\$	-
320 / 7	RIG - COMPLETION/WORKOVER	\$	-
320 / 8	COILED TBG/SNUBBING/NITROGEN	\$	139,500
320 / 9	FUEL - POWER - WATER	\$	589,232
320 / 10	COMMUNICATIONS	\$	5,000
320 / 11	TRANSPORTATION	\$	25,000
320 / 12	CONSULTING SERVICE/SUPERVISION	\$	55,000
320 / 13	CONTRACT LABOR & SERVICES	\$	7,500
320 / 14	RENTALS - DOWNHOLE	\$	25,000
320 / 15	RENTALS - SURFACE	\$	127,875
320 / 16	BITS	\$	5,000
320 / 17	CASING CREW & EQUIPMENT	\$	-
320 / 18	CEMENT & SERVICES	\$	-
320 / 19	FISHING TOOLS & SERVICE	\$	-
320 / 20	MUD - CHEMICALS - FLUIDS	\$	165,000
320 / 21	ELEC/WIRELINE & PERF SERVICE	\$	369,500
320 / 22	TUBULAR TESTING & INSPECTION	\$	-
320 / 23	GRAVEL PACKING	\$	-
320 / 24	FRAC & STIMULATION	\$	2,689,961
320 / 25	SWABBING & WELL TESTING	\$	113,970
320 / 26	CUTTINGS & FLUID DISPOSAL	\$	82,817
320 / 28	FRAC WATER	\$	254,820
320 / 29	FRAC POND	\$	-
320 / 30	WATER TRANSFER	\$	103,400
320 / 60	P&A COSTS	\$	-
	Subtotal	\$	4,788,574
320 / 70	NON-OP COMP - INTANG	\$	-
320 / 27	MISC & CONTINGENCY	\$	359,143
	Total Intangibles For Completions Operations	\$	5,147,717
Tangible Completion Costs (321)			
321 / 1	CASING - LINER/TIEBACK	\$	-
321 / 2	HANGER - CSG ACCESSORY	\$	-
321 / 3	PRODUCTION TUBING	\$	125,000.00
321 / 4	TUBINGHEAD & TREE	\$	35,000.00
321 / 5	PACKERS - SUBSURFACE EQUIP	\$	-
321 / 6	RODS - PUMPS - ANCHORS ETC	\$	-
321 / 7	ART LIFT - SURFACE EQUIP	\$	-
321 / 8	PUMPING UNITS - SURFACE EQUIP	\$	-
321 / 9	VALVES - FITTING - MISC EQUIP	\$	10,000.00
321 / 10	SEPARATOR/HEAT TREATER/DEHY	\$	-
321 / 11	GUN BBL/TANKS & RELATED EQUIP	\$	-
321 / 12	COMPRESSOR & RELATED EQUIP	\$	-
321 / 13	METERS - LACT UNIT	\$	-
321 / 14	SWD PUMPS & EQUIPMENT	\$	-
321 / 15	PIPELINES - TIE-INS	\$	-
321 / 16	PROD FACILITY - FAB & INSTALL	\$	-
	Subtotal	\$	170,000.00
321 / 17	MISC & CONTINGENCY	\$	17,000.00
321 / 60	P&A COSTS	\$	-
321 / 70	NON-OP COMP - TANG	\$	-
	Total Tangibles For Completions Operations	\$	187,000.00
Total Completion Costs		\$	5,334,717.29

Intangible Facility Costs (330)		INTANGIBLE FACILITY COSTS	
330 / 1	LAND SERVICE & EXP	\$	4,800.00
330 / 2	LEGAL FEES & EXP	\$	-
330 / 3	CONSULTING SERVICE/SUPERVISION	\$	6,250.00
330 / 4	CONTRACT LABOR & SERVICES	\$	43,750.00
		Subtotal	\$ 54,800.00
330 / 5	MISC & CONTINGENCY	\$	5,480.00
330 / 70	NON-OP FAC - INTANG	\$	-
		\$	-
	Total Intangibles for Facility Construction	\$	60,280.00
Tangible Facility Costs (331)		TANGIBLE FACILITY COSTS	
331 / 1	ART LIFT - SURFACE EQUIP	\$	-
331 / 2	PUMPING UNITS - SURFACE EQUIP	\$	-
331 / 3	VALVES - FITTING - MISC EQUIP	\$	155,000.00
331 / 4	SEPARATOR/HEAT TREATER/DEHY	\$	100,000.00
331 / 5	GUN BBL/TANKS & RELATED EQUIP	\$	62,500.00
331 / 6	COMPRESSOR & RELATED EQUIP	\$	150,000.00
331 / 7	METERS - LACT UNIT	\$	43,750.00
331 / 8	SWD PUMPS & EQUIPMENT	\$	21,250.00
331 / 9	PIPELINES - TIE-INS	\$	295,000.00
331 / 10	PROD FACILITY - FAB & INSTALL	\$	93,750.00
		Subtotal	\$ 921,250.00
331 / 11	MISC & CONTINGENCY	\$	92,125.00
331 / 70	NON-OP FAC- TANG	\$	-
		\$	-
	Total Tangible for Facility Construction	\$	1,013,375.00
Total Facility Costs		\$	1,073,655.00
Total Estimated Well Cost		\$	9,403,782.29
Flat Creek Resources, LLC			
Approved By:	Title:	Date:	
Authorization Requested From: John Wierzowiecki	VP Completions & Production	10/3/2023	
PLEASE INDICATE YOUR APPROVAL AND AUTHOIZATION FOR YOUR PROPORTIONATE PARTE OF THE ESTIMATED EXPENDITURE AS DETAILED ABOVE BY SIGNING BELOW AND RETURNING ONE SIGNED COPY TO FLAT CREEK			
OWNERSHIP:	COST TO COMPLETE:		
DATE:	PARTICIPANTS ESTIMATED COST:		
APPROVED BY:	TITLE:		



October 3, 2023

SENT VIA CERTIFIED MAIL

Working Interest Owner

RE: Well Proposal
Jawbone Fed Com BS 3H (the "Well")
Section 2, 25S-26E & Section 35, 24S-26E
Eddy County, New Mexico

Dear Working Interest Owner,

Flat Creek Resources, LLC ("Flat Creek"), as Operator and on behalf of FE Permian Owner I, LLC, as working interest owner, proposes to horizontally drill and complete the Well, as further described below, to test the Bone Spring formation.

- Surface Hole Location: 396' FSL and 1,156' FWL of Section 2, 25S-26E
- First Take Point: 100' FSL and 680' FWL of Section 2, 25S-26E
- Bottom Hole Location: 100' FNL and 680' FWL of Section 35, 24S-26E
- Depth: 18,078' Measured Depth and 7,705' True Vertical Depth
- Spacing Unit: W2W2 of Section 2, 25S-26E & Section 35, 24S-26E

The estimated cost of drilling, completing and equipping the Well is \$10,411,128.82, as itemized on the enclosed Authorization for Expenditure ("AFE"). The proposed location and drilling plans described above are subject to change if permitting, surface or subsurface issues are encountered which necessitate a change.

In the event you elect to participate in the proposed well, please execute the enclosed AFE and return to Flat Creek within thirty (30) days. Flat Creek proposes the drilling of the Well under the terms of a modified 1989 AAPL form of Operating Agreement, with Horizontal Modifications, ("JOA"), which will be provided upon request. The JOA will have the following general provisions:

- Flat Creek Resources, LLC named as Operator
- Contract Area covering the West Half of the West Half (W2W2) of Section 2, 25S-26E & Section 35, 24S-26E, limited to the Bone Spring formation
- 100%/300% Non-Consenting Penalty
- \$8,000/\$800 Drilling and Production Rates

Flat Creek is also willing to discuss possible trades or other deal structures related to your interest in the Well and proration unit. If an agreement cannot be reached within thirty (30) days from the date of this letter, Flat Creek reserves the right to apply to the New Mexico Oil Conservation District for compulsory pooling of your interest into a spacing unit for the Well.

Jawbone Fed Com BS 3H
October 3, 2023
Page 2 of 2

If you have any questions concerning this proposal, you may contact me at (817) 310-8572 or mike.gregory@flatcreekresources.com.

Sincerely,

Flat Creek Resources, LLC



Mike Gregory, CPL
Vice President - Land

Please select one of the following and return:

_____ I/We hereby elect **TO PARTICIPATE** for our proportionate share of the costs detailed in the enclosed AFE associated with the Well.

_____ I/We hereby elect **NOT TO PARTICIPATE** for our proportionate share of the costs detailed in the enclosed AFE associated with the Well.

_____ I/We are interested in selling, trading, leasing or farming out our interest. Please contact to discuss further.

COMPANY/OWNER NAME:

By: _____

Name: _____

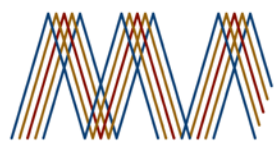
Title: _____

Date: _____

FLAT CREEK RESOURCES, LLC		AFE#:	WC23003
AUTHORIZATION FOR EXPENDITURE			
DRILL & COMPLETE HORIZONTAL BONE SPRING			
Date: 10/1/2023		County/State: Eddy, NM	
Lease: Jawbone Unit			
Surface Location: Sec 2, 25S-26E			
Proposed Depth: 18,000' MD			
Objective: Drill Horizontal Well, Complete ~2-Mile Lateral, Production Facility			
Account Code	Account Name	AFE Amount	
Intangible Driling Costs (310)			
310 / 1	LAND SERVICE & EXP	\$	2,000.00
310 / 4	PERMITS - SURVEY - REGULATORY	\$	2,000.00
310 / 5	LOCATION - DAMAGES - CLEAN UP	\$	330,000.00
310 / 6	RIG - MOB/DEMOB	\$	110,000.00
310 / 7	RIG - DAYWORK	\$	510,000.00
310 / 8	RIG - FOOTAGE	\$	-
310 / 9	RIG - TURNKEY	\$	-
310 / 10	COILED TBG/SNUBBING/NITROGEN	\$	-
310 / 11	FUEL - POWER - WATER	\$	90,750.00
310 / 12	COMMUNICATIONS	\$	2,250.00
310 / 13	TRANSPORTATION	\$	25,000.00
310 / 14	CONSULTING SERVICE/SUPERVISION	\$	90,000.00
310 / 15	CONTRACT LABOR & SERVICES	\$	40,000.00
310 / 16	RENTALS - DOWNHOLE	\$	37,500.00
310 / 17	RENTALS - SURFACE	\$	112,500.00
310 / 18	BITS	\$	75,000.00
310 / 19	CASING CREW & EQUIPMENT	\$	50,000.00
310 / 20	CEMENT & SERVICES	\$	150,000.00
310 / 21	DIRECTIONAL TOOLS & SERVICES	\$	130,000.00
310 / 22	FISHING TOOLS & SERVICE	\$	-
310 / 23	MUD - CHEMICALS - FLUIDS	\$	120,000.00
310 / 24	MUD LOGGING	\$	15,600.00
310 / 25	OPENHOLE LOGGING - FT - SWC	\$	-
310 / 26	ELEC/WIRELINE & PERF SERVICE	\$	-
310 / 27	DRILL STEM TESTING - CORING	\$	-
310 / 28	TUBULAR TESTING & INSPECTION	\$	10,000.00
310 / 29	CUTTINGS & FLUID DISPOSAL	\$	150,000.00
	Subtotal	\$	2,052,600.00
310 / 30	MISC & CONTINGENCY	\$	205,260.00
310 / 60	P&A COSTS	\$	-
310 / 70	NON-OP DRILLING - INTANG	\$	-
	Total Intangibles For Operations Involving Drilling Rig	\$	2,257,860.00
Tangible Drilling Costs (311)			
311 / 1	DRIVE PIPE - CONDUCTOR	\$	45,000.00
311 / 2	CASING - SURFACE	\$	23,500.00
311 / 3	CASING - INTERMEDIATE	\$	90,000.00
311 / 4	CASING - PRODUCTION	\$	612,000.00
311 / 5	CASING - LINER/TIEBACK		
311 / 6	HANGER - CSG ACCESSORY	\$	10,000.00
311 / 7	WELLHEAD EQPT	\$	90,000.00
	Subtotal	\$	870,500.00
311 / 8	MISC & CONTINGENCY	\$	87,050.00
311 / 70	NON-OP DRILLING - TANG		
	Total Tangibles For Operations Involving Drilling Rig	\$	957,550
Total Drilling Cost		\$	3,215,410

Intangible Completion Costs (320)			
320 / 1	LAND SERVICE & EXP	\$	15,000
320 / 2	LEGAL FEES & EXP	\$	-
320 / 3	INSURANCE	\$	-
320 / 4	PERMITS - SURVEY - REGULATORY	\$	-
320 / 5	LOCATION - DAMAGES - CLEAN UP	\$	15,000
320 / 6	RIG - DAYWORK	\$	-
320 / 7	RIG - COMPLETION/WORKOVER	\$	-
320 / 8	COILED TBG/SNUBBING/NITROGEN	\$	139,500
320 / 9	FUEL - POWER - WATER	\$	589,232
320 / 10	COMMUNICATIONS	\$	5,000
320 / 11	TRANSPORTATION	\$	25,000
320 / 12	CONSULTING SERVICE/SUPERVISION	\$	55,000
320 / 13	CONTRACT LABOR & SERVICES	\$	7,500
320 / 14	RENTALS - DOWNHOLE	\$	25,000
320 / 15	RENTALS - SURFACE	\$	127,875
320 / 16	BITS	\$	5,000
320 / 17	CASING CREW & EQUIPMENT	\$	-
320 / 18	CEMENT & SERVICES	\$	-
320 / 19	FISHING TOOLS & SERVICE	\$	-
320 / 20	MUD - CHEMICALS - FLUIDS	\$	165,000
320 / 21	ELEC/WIRELINE & PERF SERVICE	\$	430,900
320 / 22	TUBULAR TESTING & INSPECTION	\$	-
320 / 23	GRAVEL PACKING	\$	-
320 / 24	FRAC & STIMULATION	\$	3,227,953
320 / 25	SWABBING & WELL TESTING	\$	113,970
320 / 26	CUTTINGS & FLUID DISPOSAL	\$	82,817
320 / 28	FRAC WATER	\$	254,820
320 / 29	FRAC POND	\$	-
320 / 30	WATER TRANSFER	\$	103,400
320 / 60	P&A COSTS	\$	-
		Subtotal	\$ 5,387,966
320 / 70	NON-OP COMP - INTANG	\$	-
320 / 27	MISC & CONTINGENCY	\$	404,097
	Total Intangibles For Completions Operations	\$	5,792,064
Tangible Completion Costs (321)			
321 / 1	CASING - LINER/TIEBACK	\$	-
321 / 2	HANGER - CSG ACCESSORY	\$	-
321 / 3	PRODUCTION TUBING	\$	125,000.00
321 / 4	TUBINGHEAD & TREE	\$	35,000.00
321 / 5	PACKERS - SUBSURFACE EQUIP	\$	-
321 / 6	RODS - PUMPS - ANCHORS ETC	\$	-
321 / 7	ART LIFT - SURFACE EQUIP	\$	-
321 / 8	PUMPING UNITS - SURFACE EQUIP	\$	-
321 / 9	VALVES - FITTING - MISC EQUIP	\$	10,000.00
321 / 10	SEPARATOR/HEAT TREATER/DEHY	\$	-
321 / 11	GUN BBL/TANKS & RELATED EQUIP	\$	-
321 / 12	COMPRESSOR & RELATED EQUIP	\$	-
321 / 13	METERS - LACT UNIT	\$	-
321 / 14	SWD PUMPS & EQUIPMENT	\$	-
321 / 15	PIPELINES - TIE-INS	\$	-
321 / 16	PROD FACILITY - FAB & INSTALL	\$	-
		Subtotal	\$ 170,000.00
321 / 17	MISC & CONTINGENCY	\$	17,000.00
321 / 60	P&A COSTS	\$	-
321 / 70	NON-OP COMP - TANG	\$	-
			\$ -
	Total Tangibles For Completions Operations	\$	187,000.00
Total Completion Costs		\$	5,979,063.82

Intangible Facility Costs (330)		INTANGIBLE FACILITY COSTS	
330 / 1	LAND SERVICE & EXP	\$	4,800.00
330 / 2	LEGAL FEES & EXP	\$	-
330 / 3	CONSULTING SERVICE/SUPERVISION	\$	6,250.00
330 / 4	CONTRACT LABOR & SERVICES	\$	43,750.00
		Subtotal	\$ 54,800.00
330 / 5	MISC & CONTINGENCY	\$	5,480.00
330 / 70	NON-OP FAC - INTANG	\$	-
		\$	-
		Total Intangibles for Facility Construction	\$ 60,280.00
Tangible Facility Costs (331)		TANGIBLE FACILITY COSTS	
331 / 1	ART LIFT - SURFACE EQUIP	\$	-
331 / 2	PUMPING UNITS - SURFACE EQUIP	\$	-
331 / 3	VALVES - FITTING - MISC EQUIP	\$	155,000.00
331 / 4	SEPARATOR/HEAT TREATER/DEHY	\$	100,000.00
331 / 5	GUN BBL/TANKS & RELATED EQUIP	\$	62,500.00
331 / 6	COMPRESSOR & RELATED EQUIP	\$	150,000.00
331 / 7	METERS - LACT UNIT	\$	43,750.00
331 / 8	SWD PUMPS & EQUIPMENT	\$	21,250.00
331 / 9	PIPELINES - TIE-INS	\$	425,000.00
331 / 10	PROD FACILITY - FAB & INSTALL	\$	93,750.00
		Subtotal	\$ 1,051,250.00
331 / 11	MISC & CONTINGENCY	\$	105,125.00
331 / 70	NON-OP FAC- TANG	\$	-
		\$	-
		Total Tangible for Facility Construction	\$ 1,156,375.00
Total Facility Costs		\$	1,216,655.00
Total Estimated Well Cost		\$	10,411,128.82
Freedom Energy Permian			
Approved By:		Title:	Date:
Authorization Requested From: John Wierzowiecki		VP Completions & Production	10/3/2023
PLEASE INDICATE YOUR APPROVAL AND AUTHORIZATION FOR YOUR PROPORTIONATE PARTE OF THE ESTIMATED EXPENDITURE AS DETAILED ABOVE BY SIGNING BELOW AND RETURNING ONE SIGNED COPY TO FLAT CREEK			
OWNERSHIP:		COST TO COMPLETE:	
DATE:		PARTICIPANTS ESTIMATED COST:	
APPROVED BY:		TITLE:	



**MONTGOMERY
& ANDREWS**
LAW FIRM

SHARON T. SHAHEEN
Direct: (505) 986-2678
Email: sshaheen@montand.com
www.montand.com

November 17, 2023

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 23997 – Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico – **Jawbone Fed Com BS #1H**

Case No. 23998 – Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico – **Jawbone Fed Com BS #2H**

Case No. 23999 – Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico – **Jawbone Fed Com BS #3H**

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, Flat Creek Resources, LLC ("Flat Creek") has filed applications with the New Mexico Oil Conservation Division seeking compulsory pooling in Eddy County, New Mexico. You are receiving this notice because you may have an interest in one or more of these wells.

Case No. 23997: Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the E/2 E/2 of Section 2, Township 25 South, Range 26 East, and the E/2 E/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #1H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,050' FEL

Exhibit A-8

Flat Creek Resource

Case Nos. 23997-23999

December 7, 2023

All Interest Owners
Nov. 17, 2023
Page 2

of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 770' FEL of Section 35, T24S-R26E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

Case No. 23998: Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU"), with proximity tracts, comprised of the W/2 E/2 and E/2 W/2 of Section 2, Township 25 South, Range 26 East and the W/2 E/2 and E/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #2H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,070' FEL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 2,555' FEL of Section 35, T24S-R26E. With the proximity tracts, the completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

Case No. 23999: Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the W/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com BS #3H** well, to be horizontally drilled from a surface hole location approximately 396' FSL and 1,156' FWL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 680' FWL of Section 35, T24S-R26E. The completed interval and first and last take points will

All Interest Owners
Nov. 17, 2023
Page 3

meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

The attached applications will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division. During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on **December 7, 2023**, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony.

Failure to appear at that time and become a party of record will preclude you from challenging these applications at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by **November 29, 2023**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **November 30, 2023**, in accordance with Division Rule 19.15.4.13 NMAC.

Please feel free to contact me if you have any questions about these applications.

Very truly yours,

/s/ Sharon T. Shaheen
Sharon T. Shaheen

STS/shc
Enclosure
cc: Flat Creek Resources, LLC, *via email*

EXHIBIT A

INTEREST OWNERS

Working Interest Party(ies):

Durango Production Corporation
2663 Plaza Parkway
Wichita Falls, TX 76308

MEC Petroleum Corporation
P.O. Box 11265
Midland, TX 79702-8265

Pintail Production Company
6467 Southwest Blvd.
Benbrook, TX 76132-2777

WPX Energy Production Company, LLC
333 West Sheridan Ave.
Oklahoma City, OK 73102-5015

Overriding Royalty Interest Owners:

1B4S Enterprises, LLC
3203 Bowie St.
Amarillo, TX 79109

A. G. Andrikopoulos Resources, Inc.
P.O. Box 788
Cheyenne, WY 82003-0788

Blue Hole Investments
5210 W. Verde Circle
Benbrook, TX 76126

Concho Resources, Inc.
Concho Oil & Gas LLC
P.O. BOX 7500
Barthlesville, OK 74005

EL Latham Co.
P.O. Box 100912
Ft. Worth, TX 76185

Lisha N. Davila Kovacevic
3481 Hickory Court
Marietta, GA 30062

Mumford & Company
11601 Woodmar NE
Albuquerque, NM 87111

Murchison Oil and Gas, LLC
7250 Dallas Parkway, Suite 1400
Plano, TX 75024

Paloma Gas Holdings, LLC
1100 Louisiana, Suite 5100
Houston, TX 77002

Pegasus Resources II, LLC
P.O. Box 470698
Fort Worth, TX 76147

Permian Basin GIF I, LLC
P.O. Box 470844
Fort Worth, TX 76147

SEP Permian Holding Corp.
P.O. Box 79840
Houston, TX 77279

Shogoil & Gas Co. II, LLC
P.O. Box 29450
Santa Fe, NM 87592-9450

Shogoil & Gas Co. LLC
P.O. Box 209
Hay Springs, New England 69347

Summer Lorraine Davila
5326 Blossom Drive
Sugar Hill, GA 30518

Sydhan, LP
P.O. Box 92349
Austin, TX 78709-2349

Additional Party(ies):

Bureau of Land Management
414 W. Taylor
Hobbs, NM 88240-1157

State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

Well Name: JAWBONE FED COM LW	Well Location: T25S / R26E / SEC 2 / SESE /	County or Parish/State:
Well Number: 13H	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM0441951	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001549457	Well Status: Approved Application for Permit to Drill	Operator: FLAT CREEK RESOURCES LLC

Notice of Intent

Sundry ID: 2759784

Type of Submission: Notice of Intent	Type of Action: APD Change
Date Sundry Submitted:	Time Sundry Submitted:
Date proposed operation will begin: 12/01/2023	

Procedure Description: Well type has changed from gas to oil. Zone has changed from Wolfcamp to Bone Spring. TVD has changed from 9525' to 7691'. MD has changed from 19468' to 17919' BHL was at 330' FNL and 1660' FEL 35-24s-26e. BHL has now moved 933' NE to 50' FNL & 770' FEL 35-24s-26e. No change in SHL. No change in pad footprint. Revised drilling documents attached.

NOI Attachments

Procedure Description

- 5.5in_Casing_Spec_20231105061924.pdf
- Jawbone_LW_13H_Casing_Design_Assumptions_20231105061909.pdf
- Jawbone_LW_13H_AntiCollision_Report_20231105061855.pdf
- Jawbone_LW_13H_Horizontal_Plan_20231105061842.pdf
- Jawbone_LW_13H_C102_20231105061827.pdf
- Jawbone_LW_13H_Drill_Plan_20231105061804.pdf

Exhibit A-9

Flat Creek Resource

Case Nos. 23997-23999

December 7, 2023

Well Name: JAWBONE FED COM LW	Well Location: T25S / R26E / SEC 2 / SESE /	County or Parish/State:
Well Number: 13H	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM0441951	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001549457	Well Status: Approved Application for Permit to Drill	Operator: FLAT CREEK RESOURCES LLC

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: BRIAN WOOD

Signed on: NOV 05, 2023 06:17 AM

Name: FLAT CREEK RESOURCES LLC

Title: President

Street Address: 37 VERANO LOOP

City: SANTA FEState: NM

Phone: (505) 466-8120

Email address: AFMSS@PERMITSWEST.COM

Field

Representative Name:

Street Address:

City:State:Zip:

Phone:

Email address:

Well Name: JAWBONE FED COM LW	Well Location: T25S / R26E / SEC 2 / SESE /	County or Parish/State:
Well Number: 14H	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM0441951	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001549459	Well Status: Approved Application for Permit to Drill	Operator: FLAT CREEK RESOURCES LLC

Notice of Intent

Sundry ID: 2761059

Type of Submission: Notice of Intent

Type of Action: APD Change

Date Sundry Submitted:

Time Sundry Submitted:

Date proposed operation will begin: 12/01/2023

Procedure Description: Well type has changed from gas to oil. Zone has changed from Wolfcamp to Bone Spring. TVD has changed from 9350' to 7691'. MD has changed from 19521' to 18185'. BHL was at 330' FNL and 2315' FEL 35-24s-26e. BHL has now moved 336' NW to 50' FNL & 2501' FEL 35-24s-26e. No change in SHL. No change in pad footprint. Revised drilling documents attached.

NOI Attachments

Procedure Description

5.5in_Casing_Spec_20231110132205.pdf

Jawbone_14H_Casing_Design_Assumptions_20231110132148.pdf

Jawbone_14H_Anticollision_Report_20231110132136.pdf

Jawbone_14H_Horizontal_Plan_20231110132124.pdf

Jawbone_14H_C102_2023110132102.pdf

Jawbone_14H_Drill_Plan_20231110132044.pdf

Well Name: JAWBONE FED COM LW	Well Location: T25S / R26E / SEC 2 / SESE /	County or Parish/State:
Well Number: 14H	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM0441951	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001549459	Well Status: Approved Application for Permit to Drill	Operator: FLAT CREEK RESOURCES LLC

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: BRIAN WOOD

Signed on: NOV 10, 2023 01:21 PM

Name: FLAT CREEK RESOURCES LLC

Title: President

Street Address: 37 VERANO LOOP

City: SANTA FE

State: NM

Phone: (505) 466-8120

Email address: AFMSS@PERMITSWEST.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

Well Name: JAWBONE FED COM LW	Well Location: T25S / R26E / SEC 2 / SWSW /	County or Parish/State:
Well Number: 15H	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM0441951	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001549664	Well Status: Approved Application for Permit to Drill	Operator: FLAT CREEK RESOURCES LLC

Notice of Intent

Sundry ID: 2759785

Type of Submission: Notice of Intent	Type of Action: APD Change
Date Sundry Submitted:	Time Sundry Submitted:
Date proposed operation will begin: 12/01/2023	

Procedure Description: Well type has changed from gas to oil. Zone has changed from Wolfcamp to Bone Spring. TVD has changed from 9525' to 7705'. MD has changed from 19701' to 18078' BHL was at 330' FNL and 2315' FWL 35-24s-26e. BHL has now moved 1658' NW to 50' FNL & 680' FWL 35-24s-26e. No change in SHL. No change in pad footprint. Revised drilling documents attached.

NOI Attachments

Procedure Description

- 5.5in_Casing_Spec_20231105062635.pdf
- Jawbone_LW_15H_Casing_Design_Assumptions_20231105062621.pdf
- Jawbone_LW_15H_AntiCollision_Report_20231105062607.pdf
- Jawbone_LW_15H_Horiztonal_Plan_20231105062553.pdf
- Jawbone_LW_15H_C102_20231105062539.pdf
- Jawbone_LW_15H_Drill_Plan_20231105062524.pdf

Well Name: JAWBONE FED COM LW	Well Location: T25S / R26E / SEC 2 / SWSW /	County or Parish/State:
Well Number: 15H	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM0441951	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001549664	Well Status: Approved Application for Permit to Drill	Operator: FLAT CREEK RESOURCES LLC

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: BRIAN WOOD	Signed on: NOV 05, 2023 06:26 AM
Name: FLAT CREEK RESOURCES LLC	
Title: President	
Street Address: 37 VERANO LOOP	
City: SANTA FE	State: NM
Phone: (505) 466-8120	
Email address: AFMSS@PERMITSWEST.COM	

Field

Representative Name:		
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		

Tab 4.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATIONS OF FLAT CREEK RESOURCES, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case Nos. 23997-23999

AFFIRMATION OF GEOLOGIST THOMAS M. ANDERSON

I, Thomas M. Anderson, make the following self-affirmed statement:

1. I am over the age of 18, and have the capacity to execute this affirmation, which is based on my personal knowledge.
2. I am employed as the geologist for Flat Creek Resources, LLC (“Flat Creek” or “Applicant”), and I am familiar with the subject applications and the lands involved.
3. This affirmation is submitted in connection with the filing by Flat Creek of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record. My education and work experience are as follows: I have a bachelor’s degree in geology from the University of South Florida and a master’s degree in geology from Florida State University. I have been working continuously as a professional geologist since 1981. I worked at Exxon/ExxonMobil/XTO Energy for 37 years and have been at Flat Creek Resources, LLC for 5 years. Since 2011 I have worked fulltime in the Permian Basin, including the northern portion of the Delaware and the NW Shelf in New Mexico.
5. **Exhibit B-1** is a location map of the Delaware Basin highlighting the position of the project area.

Exhibit B

Flat Creek Resource

Case Nos. 23997-23999

December 7, 2023

6. **Exhibit B-2** is a gun barrel diagram of the Jawbone development plan. The horizontal well spacing is to scale.

7. **Exhibit B-3** is a TVDSS structure map on the top of lower 3rd Bone Spring carbonate/shale (“Harkey”). Contour interval is 50’. The top defines the top of the target interval for the proposed wells. The proposed spacing unit is outlined by the black rectangle and the proposed horizontal wells are shown in blue. There is no evidence of faults, pinch-outs or other significant impediments to the horizontal development in either of the objectives.

8. **Exhibit B-4** is a reference map for the cross-section. Horizontal wells on the map are filtered to only those landing in the 1st Bone Spring sand through 3rd Bone Spring carbonate/shale.

9. **Exhibit B-5** is a stratigraphic cross-section flattened on the top of the 3rd Bone Spring sand. Log curves for each well on the section consist of a gamma ray/caliper, deep resistivity, and PE, neutron/density porosity. The targeted interval for the proposed wells is shaded yellow.

10. An additional exhibit for the benefit of the Division’s review is **Exhibit B-6**, a gross isochore of the upper lower 3rd Bone Spring carbonate/shale (“Harkey”).

11. The measured depths and true vertical depths for each well are approximately as follows:

Case No.:		MD	TVD
23997	Jawbone Fed Com BS #1H	17,919’	7,691’
23998	Jawbone Fed Com BS #2H	18,185’	7,691’
23999	Jawbone Fed Com BS #3H	18,078’	7,705’

12. Based on my geologic study of the area, I conclude the following:

- a. The horizontal spacing and proration units (“HSU”) are justified from a geologic standpoint.
- b. There are no structural impediments or faults that will interfere with horizontal development.
- c. Each quarter-quarter section in the Bone Spring HSUs will contribute more or less equally to production.

13. The planned well orientation in this area is north-south to fit with existing development in the immediate area. Older vintage wells targeting the Second Bone Spring sand were drilled both east-west and north-south, with similar results. The measured orientation of the maximum horizontal stress is N43°E (based on 3 high quality measurements within 7 miles of the project area from data tables from Lundstern, JE., Zoback, M.D. Author Correction: Multiscale variations of the crustal stress field throughout North America. *Nat Commun* **14**, 1232 (2023). <https://doi.org/10.1038/s41467-022-34915-0>).

14. The subject acreage represents a sizeable percentage of Flat Creek’s total acreage and will have the complete attention of the company with the goal of optimizing and accelerating operations.

15. The exhibits attached hereto were prepared by me.

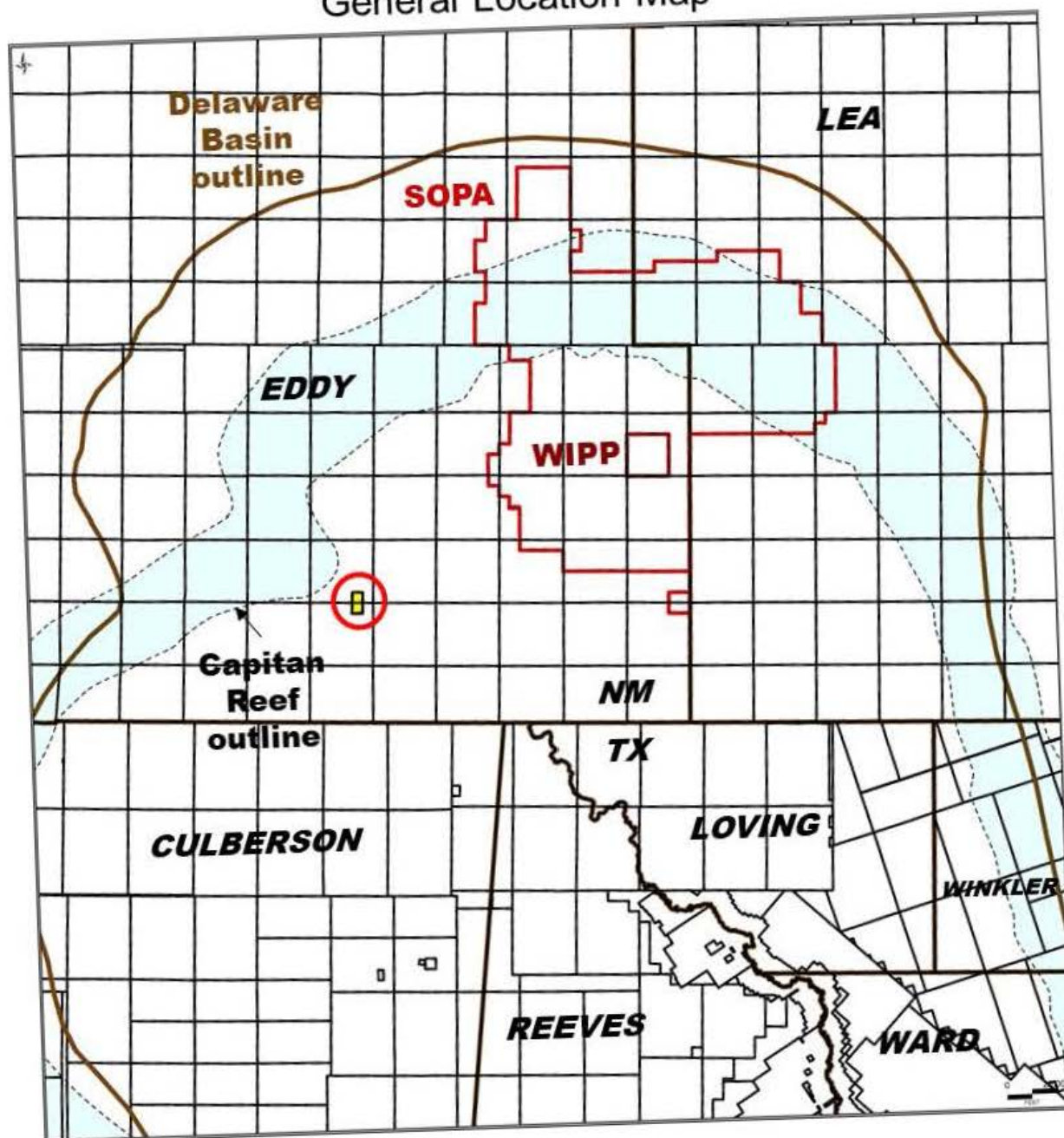
16. The granting of the Applications is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

I affirm under penalty of perjury under the laws of the State of New Mexico that this statement is true and correct.

Thomas M. Anderson
Thomas M. Anderson

12/05/2023
Date

General Location Map



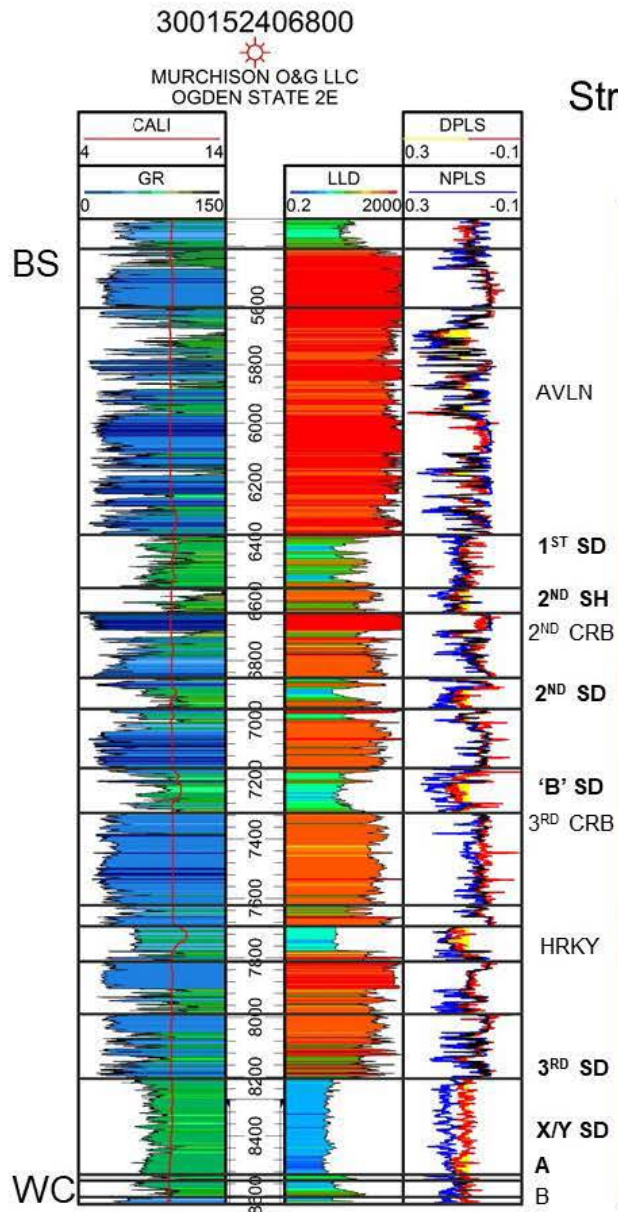
- Location of the Jawbone project is shown in yellow inside the red circle just to the east of the Capitan Reef in Eddy County

Exhibit B-1

Flat Creek Resource

Case Nos. 23997-23999

December 7, 2023



Gun Barrel Diagram

Structural dip is to the east/southeast. Jawbone wells are planned to drill north to south, roughly along strike

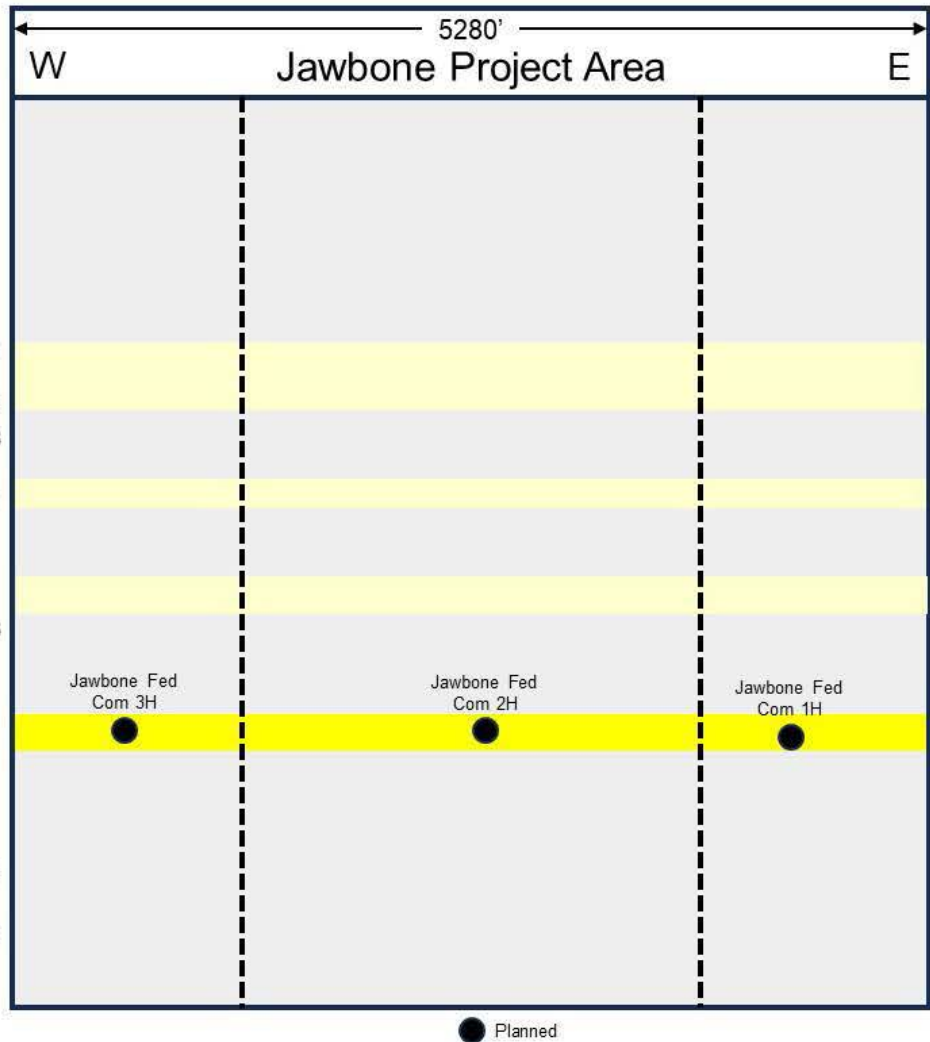
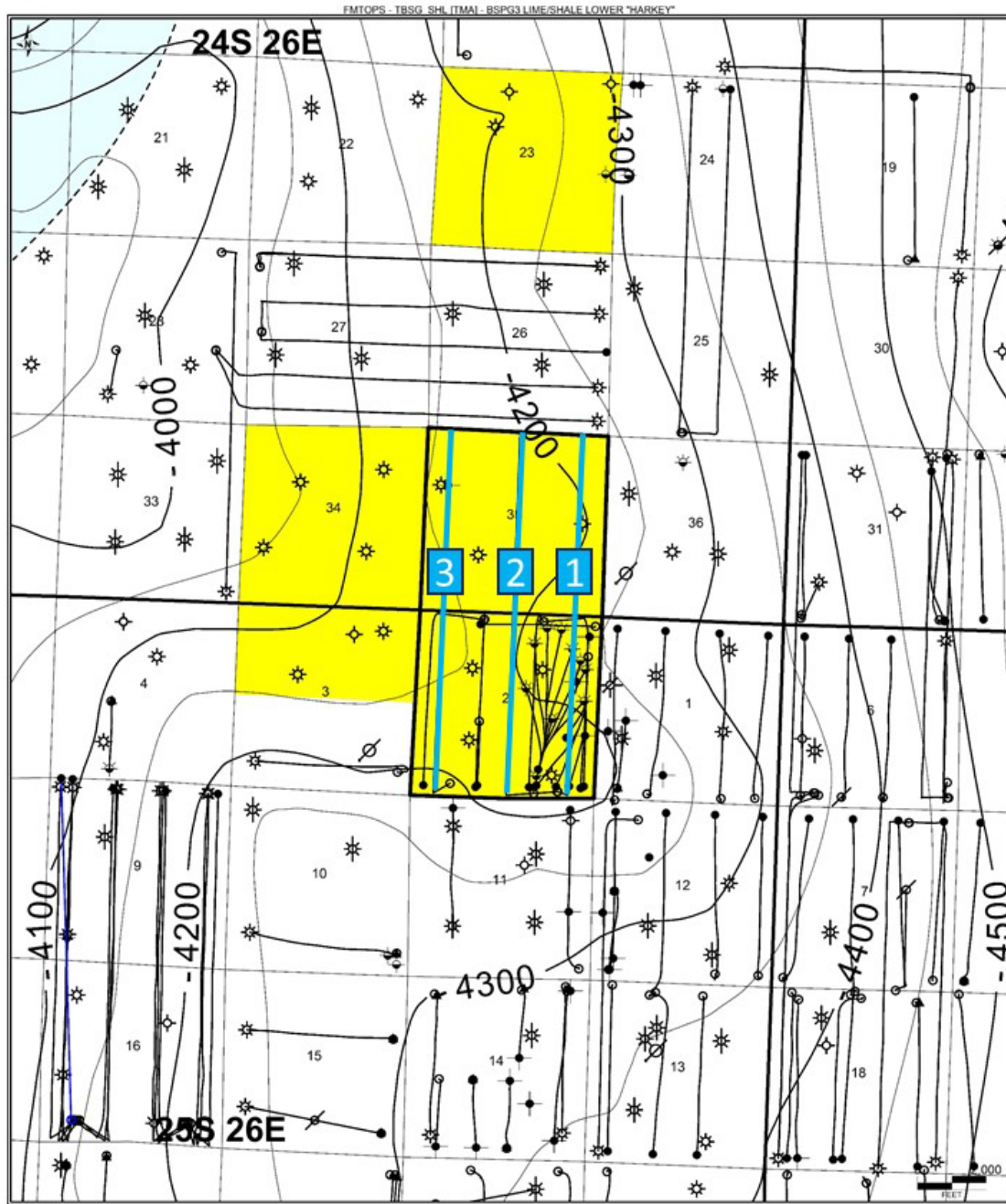


Exhibit B-2

Flat Creek Resource

Case Nos. 23997-23999

Structure Map - Top "Harkey" Zone (TVDSS)



- 1** Jawbone Fed Com BS 1H
- 2** Jawbone Fed Com BS 2H
- 3** Jawbone Fed Com BS 3H

FCR acreage

Project Area

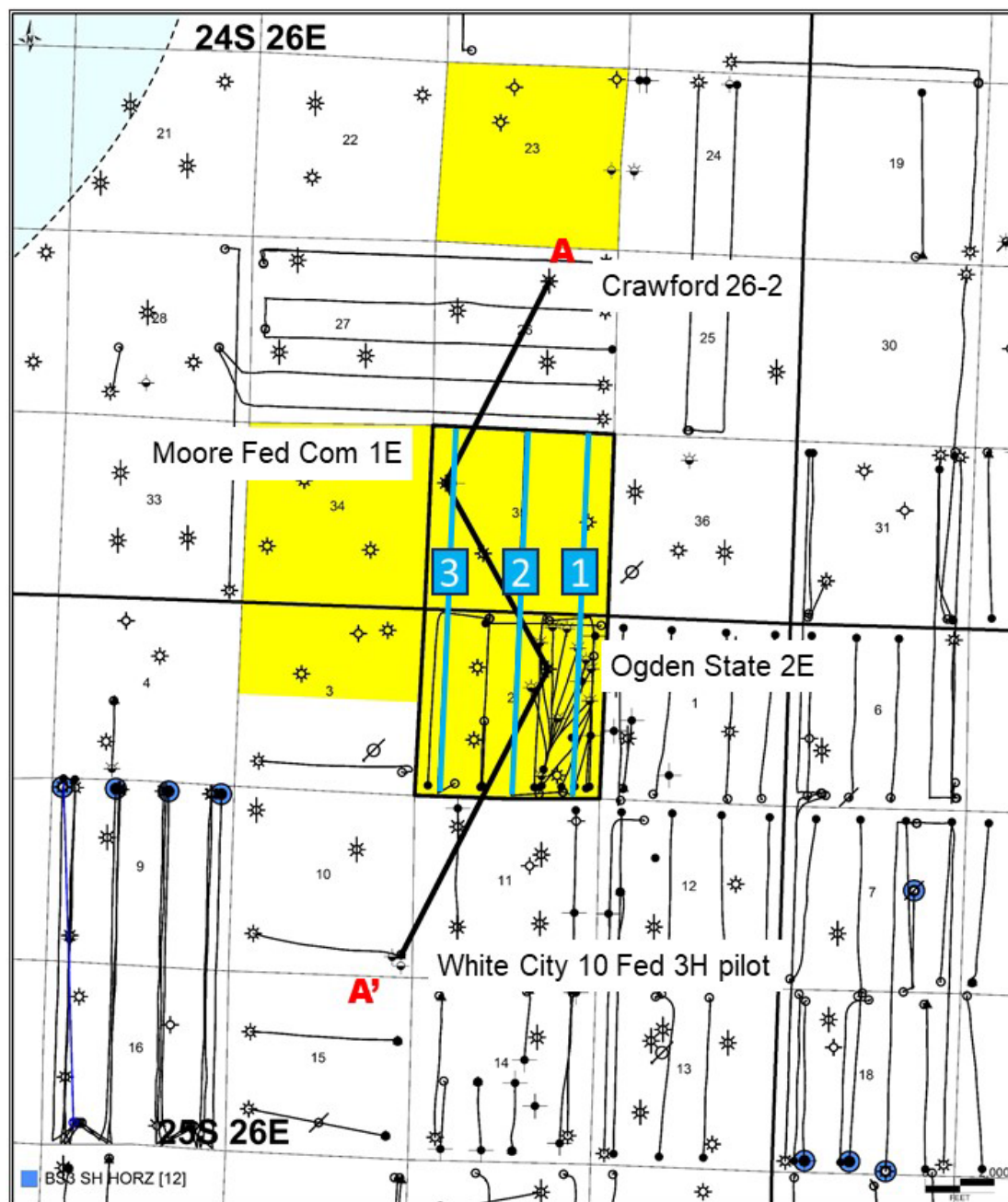
Dip across the project area varies from 0.45 – 1.20° east-southeast

Exhibit B-3

Flat Creek Resource
Case Nos. 23997-23999

December 7, 2023

Cross-section Reference Map



- 1 Jawbone Fed Com BS 1H
- 2 Jawbone Fed Com BS 2H
- 3 Jawbone Fed Com BS 3H

FCR acreage

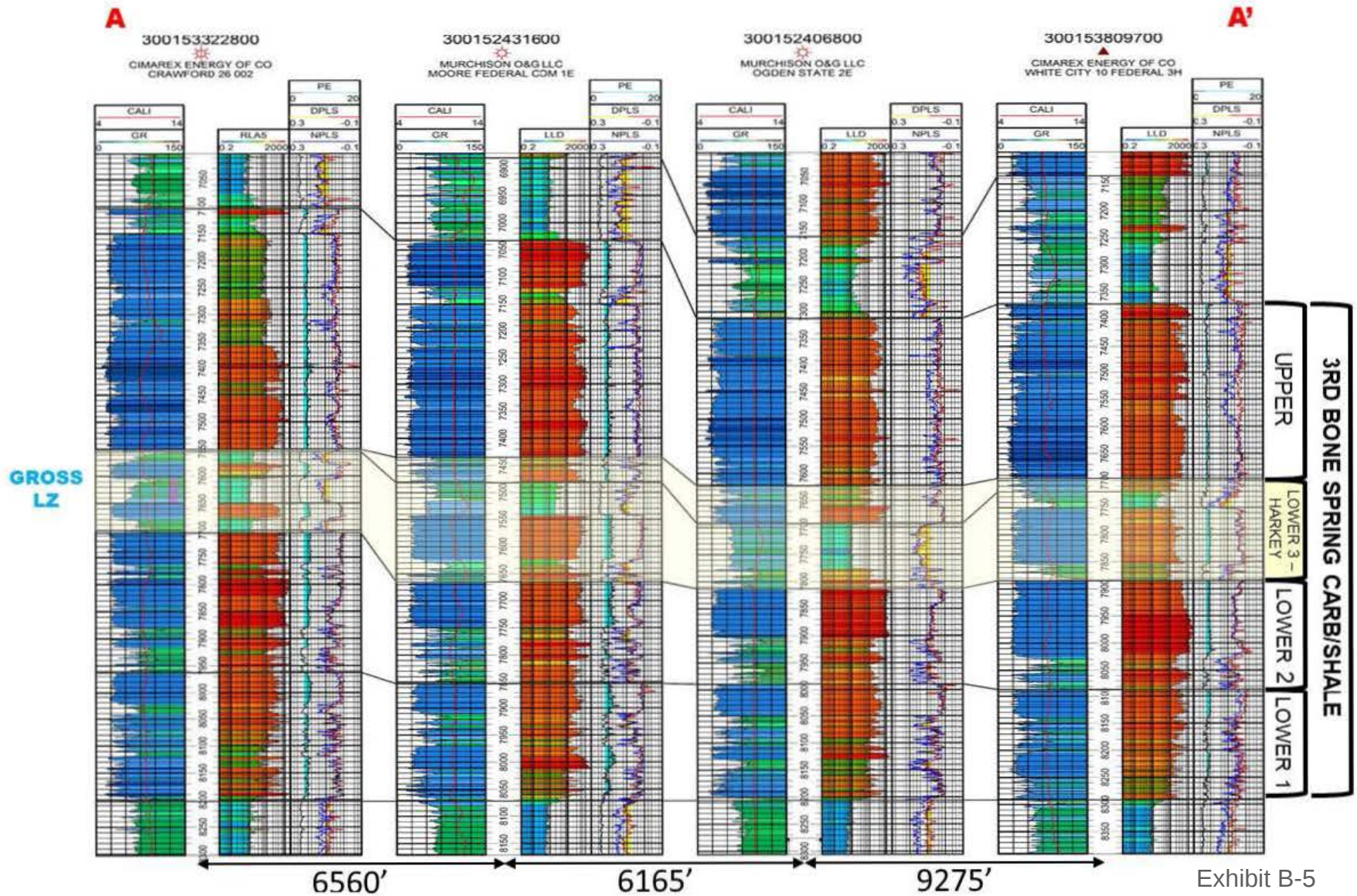
Project Area

Only laterals targeting the 1st BS sand – 3rd BS shale are shown

Exhibit B-4

Flat Creek Resource
Case Nos. 23997-23999
December 7, 2023

Stratigraphic Cross-section (Top 3rd Bone Spring Sand Datum)



Flat Creek Resource
Case Nos. 23997-23999

December 7, 2023

Gross interval Isochore - "Harkey" Zone

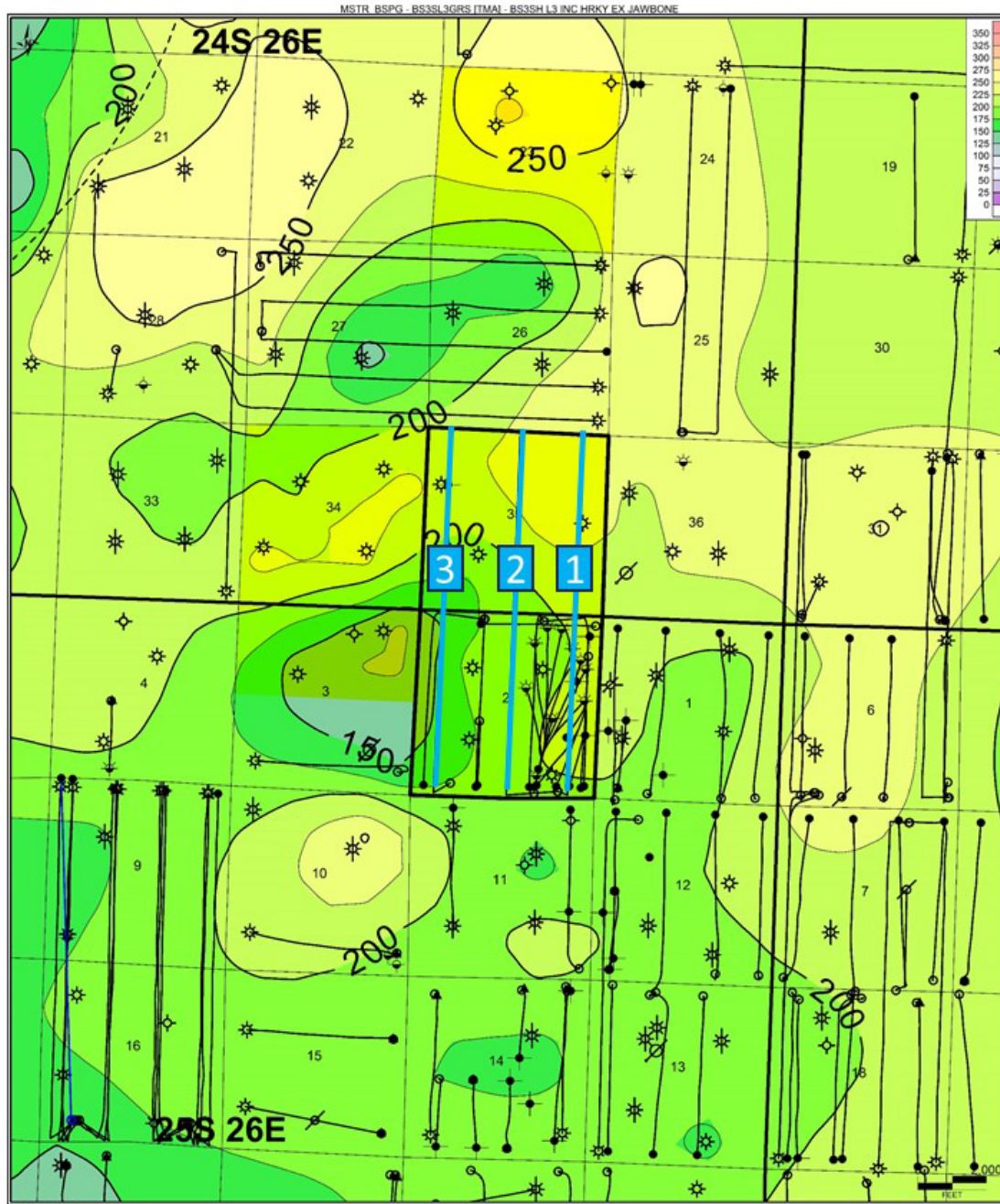


Exhibit B-6

Flat Creek Resource

Case Nos. 23997-23999

December 7, 2023

Tab 5.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATIONS OF FLAT CREEK RESOURCES, LLC
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case Nos. 23997-23999

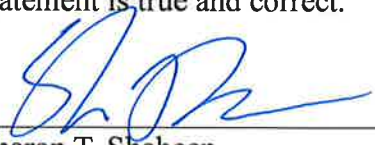
AFFIRMATION OF NOTICE

I, Sharon T. Shaheen, attorney for Applicant in the above-captioned matter, state the following:

I caused notice of the applications to be sent by certified mail through the United States Postal Service on November 17, 2023, to all interest owners sought to be pooled in this proceeding. Evidence of mailing to all such owners is attached hereto as Exhibit C-1. Notice was also directed to all such owners by publication in the Carlsbad Current-Argus on November 19, 2023, which is reflected in the Affidavit of Publication attached hereto as Exhibit C-2. Exhibit C-2 demonstrates to my satisfaction that those owners who did not receive personal notice through the certified mailing were properly served by publication.

Flat Creek Resources, LLC has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the Application filed herein.

I affirm under penalty of perjury under the laws of the State of New Mexico that this statement is true and correct.


Sharon T. Shaheen

12/5/23
Date

EXHIBIT C

Flat Creek Resources**Case Nos. 23997-23998 (Jawbone Fed Com BS #1H & Jawbone Fed Com BS #2H)****December 7, 2023 Hearing**

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
WORKING INTEREST OWNERS				
Durango Production Corporation 2663 Plaza Parkway Wichita Falls, TX 76308	November 17, 2023	7020 0090 0000 0863 9734	Delivered	November 21, 2023
MEC Petroleum Corporation P.O. Box 11265 Midland, TX 79702-8265	November 17, 2023	7020 0090 0000 0863 9741	Moving Through Network as of November 25, 2023	
Pintail Production Company 6467 Southwest Blvd. Benbrook, TX 76132-2777	November 17, 2023	7020 0090 0000 0863 9758	Delivered	November 21, 2023
WPX Energy Production Company, LLC 333 West Sheridan Ave. Oklahoma City, OK 73102-5015	November 17, 2023	7020 0090 0000 0863 9765	Delivered	November 22, 2023
ORRI OWNERS				
1B4S Enterprises, LLC 3203 Bowie St. Amarillo, TX 79109	November 17, 2023	7020 0090 0000 0863 9772	Delivered	November 27, 2023
A. G. Andrikopoulos Resources, Inc. P.O. Box 788 Cheyenne, WY 82003-0788	November 17, 2023	7020 0090 0000 0863 9789	Delivered	November 21, 2023

Flat Creek Resources**Case Nos. 23997-23998 (Jawbone Fed Com BS #1H & Jawbone Fed Com BS #2H)****December 7, 2023 Hearing**

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
Blue Hole Investments 5210 W. Verde Circle Benbrook, TX 76126	November 17, 2023	7020 0090 0000 0863 9796	Delivered	November 21, 2023
Concho Oil & Gas LLC P.O. BOX 7500 Barthlesville, OK 74005	November 17, 2023	7020 0090 0000 0863 9802	Delivered	November 21, 2023
Concho Resources, Inc. P.O. BOX 7500 Barthlesville, OK 74005	November 17, 2023	7020 0090 0000 0863 9819	Delivered	November 21, 2023
EL Latham Co. P.O. Box 100912 Ft. Worth, TX 76185	November 17, 2023	7020 0090 0000 0863 9826	Delivered	November 27, 2023
Lisha N. Davila Kovacevic 3481 Hickory Court Marietta, GA 30062	November 17, 2023	7020 0090 0000 0863 9833	Delivery Attempt Notice Left and Reminder to Schedule Redelivery December 3, 2023	
Mumford & Company 11601 Woodmar NE Albuquerque, NM 87111	November 17, 2023	7020 0090 0000 0863 9840	Delivered	November 20, 2023
Murchison Oil and Gas, LLC 7250 Dallas Parkway, Suite 1400 Plano, TX 75024	November 17, 2023	7020 0090 0000 0863 9857	Moving Through Network as of November 24, 2023	

Flat Creek Resources**Case Nos. 23997-23998 (Jawbone Fed Com BS #1H & Jawbone Fed Com BS #2H)****December 7, 2023 Hearing**

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
Paloma Gas Holdings, LLC 1100 Louisiana, Suite 5100 Houston, TX 77002	November 17, 2023	7020 0090 0000 0863 9864	Delivered	November 22, 2023
Pegasus Resources II, LLC P.O Box 470698 Fort Worth, TX 76147	November 17, 2023	7020 0090 0000 0863 9871	Delivered	November 22, 2023
Permian Basin GIF I, LLC P.O. Box 470844 Fort Worth, TX 76147	November 17, 2023	7020 0090 0000 0863 9888	Available for Pickup November 21, 2023	
SEP Permian Holding Corp. P.O. Box 79840 Houston, TX 77279	November 17, 2023	7020 0090 0000 0863 9895	Moving Through Network as of November 22, 2023	
Shogoil & Gas Co. II, LLC P.O. Box 29450 Santa Fe, NM 87592-9450	November 17, 2023	7020 0090 0000 0863 9901	Moving Through Network as of November 22, 2023	
Shogoil & Gas Co. LLC P.O. Box 209 Hay Springs, New England 69347	November 17, 2023	7020 0090 0000 0863 9918	Delivered	November 27, 2023
Summer Lorraine Davila 5326 Blossom Drive Sugar Hill, GA 30518	November 17, 2023	7020 0090 0000 0863 9925	Delivered	November 24, 2023

Flat Creek Resources**Case Nos. 23997-23998 (Jawbone Fed Com BS #1H & Jawbone Fed Com BS #2H)****December 7, 2023 Hearing**

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
Syhan, LP P.O. Box 92349 Austin, TX 78709-2349	November 17, 2023	7020 0090 0000 0863 9932	Delivered	November 21, 2023
OTHER INTERESTED PARTIES				
Bureau of Land Management 414 W. Taylor Hobbs, NM 88240-1157	November 17, 2023	7020 0090 0000 0863 9949	Delivered	November 22, 2023
State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501	November 17, 2023	7020 0090 0000 0863 9956	Delivered	November 20, 2023

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X <i>S. Beuscher</i> ☐ Agent ☐ Addressee	
1. Addressee Address Durango Production Corporation 2663 Plaza Parkway Wichita Falls, TX 76308 9590 9402 8530 3186 0599 09		B. Received By (Printed Name) <i>S. Beuscher</i>	C. Date of Delivery <i>11.21.23</i>
2. A. <i>7020 0090 0000 0863 9734</i>		D. Is delivery address different from item 1? ☐ Yes ☐ No If YES, enter delivery address below:	
3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery		(over \$500) Restricted Delivery	
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

USPS Tracking®

FAQs >

Tracking Number:

Remove X

7020009000008639741

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Out for Delivery

Preparing for Delivery

Moving Through Network

In Transit to Next Facility

November 25, 2023

Arrived at USPS Regional Facility

MIDLAND TX DISTRIBUTION CENTER

November 20, 2023, 7:52 pm

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
☐ Return Receipt (hardcopy)	\$
☐ Return Receipt (electronic)	\$
☐ Certified Mail Restricted Delivery	\$
☐ Adult Signature Required	\$
☐ Adult Signature Restricted Delivery	\$
Postage	

Postmark
Here

MEC Petroleum Corporation
P.O. Box 11265
Midland, TX 79702-8265

usps.com/s/article/Where-is-my-package

See Less ^

Feedback

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639758

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item was delivered to an individual at the address at 12:26 pm on November 21, 2023 in FORT WORTH, TX 76132.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Left with Individual

FORT WORTH, TX 76132

November 21, 2023, 12:26 pm

See All Tracking History

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
- Complete items 1, 2, and 3. - Print your name and address on the reverse so that we can return the card to you. - Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature ☒ Agent ☐ Addressee B. Received by (Printed Name) ☐ Date of Delivery C. Is delivery address different from item 1? ☐ Yes ☐ No If YES, enter delivery address below:
1. Article Addressed to: Pintail Production Company 6467 Southwest Blvd. Benbrook, TX 76132-2777	
2. Barcode 9590 9402 8530 3186 0599 23	
3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery	
Article Number (Transfer from service label) 7020 0090 0000 0863 9758	
Form 3811, July 2020 PSN 7530-02-000-9053	

Domestic Return Receipt

Need More Help?

Contact USPS Tracking support for further assistance.

FAQs

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature <i>David Carrillo</i> ☒ Addressee ☐ Agent	
1. Article Addressed to: WPX Energy Production Company 333 West Sheridan Ave. Oklahoma City, OK 73102-5015		B. Received by (Printed Name)	C. Date of Delivery
 9590 9402 8530 3186 0599 30		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery		☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	
7020 0090 0000 0863 9765		(over \$500)	
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature X <i>C. Lyle Brown</i> ☐ Agent ☐ Addressee	
		B. Received by (Printed Name) <i>C. Lyle Brown</i>	C. Date of Delivery <i>11-27-23</i>
1. Article Addressed to: 1B4S Enterprises, LLC 3203 Bowie St. Amarillo, TX 79109		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
2. Article Number (Transfer from service label) 7020 0090 0000 0863 9772		3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☐ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery ☐ Signature Confirmation Restricted Delivery (over \$500)	
PS Form 3811, July 2020 PSN 7530-02-000-9053		Domestic Return Receipt	

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639789

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item has been delivered and is available at a PO Box at 9:57 am on November 21, 2023 in CHEYENNE, WY 82003.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, PO Box

CHEYENNE, WY 82003

November 21, 2023, 9:57 am

See All Tracking History

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
- Complete items 1, 2, and 3. - Print your name and address on the reverse so that we can return the card to you. - Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature ☒ <i>Kelly Ornelas</i> ☐ Agent ☐ Addressee B. Received by (Printed Name) <i>Kelly Ornelas</i> C. Date of Delivery D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
1. Article Addressed to: A. G. Andrikopoulos Resources, Inc. P.O. Box 788 Cheyenne, WY 82003-0788			
2. Barcode 9590 9402 8530 3186 0599 54 7020 0090 0000 0863 9789			
3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery		☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	

Domestic Return Receipt

Need More Help?

Contact USPS Tracking support for further assistance.

FAQs

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639796

Copy Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item was delivered to an individual at the address at 2:11 pm on November 21, 2023 in FORT WORTH, TX 76126.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Left with Individual

FORT WORTH, TX 76126

November 21, 2023, 2:11 pm

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
\$

Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage
\$

Total
\$

Sent to
Blue Hole Investments
5210 W. Verde Circle
Benbrook, TX 76126

City, State, ZIP+4®
Benbrook, TX 76126

Postmark Here

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

[ps.com/s/article/Where-is-my-package](https://usps.com/s/article/Where-is-my-package)

See Less ^

Feedback

Need More Help?

Contact USPS Tracking support for further assistance.

FAQs

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Concho Oil & Gas LLC
P.O. BOX 7500
Barthlesville, OK 74005



9590 9402 8530 3186 0599 78

2. Article Number (Transfer from service label)

7020 0090 0000 0863 9802

Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

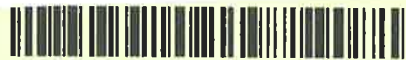
Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Concho Resources, Inc.
P.O. BOX 7500
Barthlesville, OK 74005



9590 9402 8530 3186 0599 85

2. Article Number (Transfer from service label)

7020 0090 0000 0863 9819

Mail Restricted Delivery (0)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EL Latham Co.
P.O. Box 100912
Ft. Worth, TX 76185



9590 9402 8530 3186 0599 92

2. Article Number (Transfer from service label)

7020 0090 0000 0863 9826

COMPLETE THIS SECTION ON DELIVERY

A. Signature

ConocoPhillips

☐ Agent☐ Addressee

B. Received by (Printed Name)

NOV 21 2023

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

COMPLETE THIS SECTION ON DELIVERY

A. Signature

ConocoPhillips

☐ Agent☐ Addressee

B. Received by (Printed Name)

NOV 21 2023

C. Date of Delivery

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☐ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

USPS Tracking®

FAQs >

Tracking Number:

70200090000008639833

Remove X

Copy Schedule a Redelivery (<https://tools.usps.com/redelivery.htm>)

Latest Update

This is a reminder to arrange for redelivery of your item before December 12, 2023 or your item will be returned on December 13, 2023. You may arrange redelivery by using the Schedule a Redelivery feature on this page or may pick up the item at the Post Office indicated on the notice.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivery Attempt: Action Needed

Reminder to Schedule Redelivery of your item before December 12, 2023

December 3, 2023

Notice Left (No Authorized Recipient Available)

MARIETTA, GA 30062
November 28, 2023, 2:59 pm

See All Tracking History

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$
☐ Return Receipt (electronic) \$
☐ Certified Mail Restricted Delivery \$
☐ Adult Signature Required \$
☐ Adult Signature Restricted Delivery \$

Postage

Postmark
Here

Lisha N. Davila Kovacevic
3481 Hickory Court
Marietta, GA 30062

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

usps.com/s/article/Where-is-my-package

See Less ^

Enter tracking or barcode numbers

Feedback

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mumford & Company
11601 Woodmar NE
Albuquerque, NM 87111



9590 9402 8530 3186 0592 99

7020 0090 0000 0863 9840

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

B. Received by (Printed Name)

Helen Mumford

C. Signature
Agent
DeliveryD. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

11-20

3. Service Type

- | | |
|--|---|
| ☐ Adult Signature | ☐ Priority Mail Express® |
| ☐ Adult Signature Restricted Delivery | ☐ Registered Mail™ |
| ☐ Certified Mail® | ☐ Registered Mail Restricted Delivery |
| ☐ Certified Mail Restricted Delivery | ☐ Signature Confirmation™ |
| ☐ Collect on Delivery | ☐ Signature Confirmation Restricted Delivery |

Delivery Restricted Delivery

all Restricted Delivery

(over \$500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

USPS Tracking[®]

FAQs >

Tracking Number:

Remove X

70200090000008639857

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Get More Out of USPS Tracking:

USPS Tracking Plus[®]

Delivered

Out for Delivery

Preparing for Delivery

Moving Through Network

In Transit to Next Facility

November 24, 2023

Arrived at USPS Regional Facility

COPPELL TX DISTRIBUTION CENTER

November 20, 2023, 8:38 am

U.S. Postal Service[™]
CERTIFIED MAIL[®] RECEIPT
Domestic Mail OnlyFor delivery information, visit our website at www.usps.com.ps.com/s/article/Where-is-my-package

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy) \$☐ Return Receipt (electronic) \$☐ Certified Mail Restricted Delivery \$☐ Adult Signature Required \$☐ Adult Signature Restricted Delivery \$

Postage

\$

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Postmark
HereMurchison Oil and Gas, LLC
7250 Dallas Parkway, Suite 1400
Plano, TX 75024

See Less ^

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Feedback

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Paloma Gas Holdings, LLC
1100 Louisiana, Suite 5100
Houston, TX 77002



9590 9402 8530 3186 0593 12

7020 0090 0000 0863 9864

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

AR

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

11-22-27

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature☐ Adult Signature Restricted Delivery☐ Certified Mail®☐ Certified Mail Restricted Delivery☐ Collect on Delivery☐ Collect on Delivery Restricted Delivery☐ Priority Mail Express®☐ Registered Mail™☐ Registered Mail Restricted Delivery☐ Signature Confirmation™☐ Signature Confirmation Restricted Delivery

1 Mail

1 Mail Restricted Delivery

(over 500)

PS Form 3811, July 2020 PSN 7530-02-000-9053

Domestic Return Receipt

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639871

Copy Add to Informed Delivery (https://informedelivery.usps.com/)

Latest Update

Your item was picked up at the post office at 9:01 am on November 22, 2023 in FORT WORTH, TX 76107.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Post Office

FORT WORTH, TX 76107

November 22, 2023, 9:01 am

See All Tracking History

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
☐ Return Receipt (hardcopy)	\$
☐ Return Receipt (electronic)	\$
☐ Certified Mail Restricted Delivery	\$
☐ Adult Signature Required	\$
☐ Adult Signature Restricted Delivery	\$
Postage	
\$	
To	
Se	
Si	
Cl	

Pegasus Resources II, LLC
P.O Box 470698
Fort Worth, TX 76147

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Postmark
Here

sps.com/s/article/Where-is-my-package)



See Less ^

Feedback

Need More Help?

Contact USPS Tracking support for further assistance.

FAQs

USPS Tracking®

FAQs >

Tracking Number:

70200090000008639888

Remove X

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

This is a reminder to pick up your item before December 5, 2023 or your item will be returned on December 6, 2023. Please pick up the item at the FORT WORTH, TX 76147 Post Office.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivery Attempt

Reminder to pick up your item before December 5, 2023

FORT WORTH, TX 76147

November 26, 2023

Available for Pickup

ARLINGTON HEIGHTS

3101 W 6TH ST

FORT WORTH TX 76107-2778

M-F 0830-1700

November 21, 2023, 8:53 am

See All Tracking History

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail OnlyFor delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

\$

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy)	\$
☐ Return Receipt (electronic)	\$
☐ Certified Mail Restricted Delivery	\$
☐ Adult Signature Required	\$
☐ Adult Signature Restricted Delivery	\$

Postage

\$

Total Paid Permian Basin GIF I, LLC

\$ P.O. Box 470844

Sent To Fort Worth, TX 76147

Street

City, St

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

usps.com/s/article/Where-is-my-package

See Less ^

Feedback

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639895

Copy Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Get More Out of USPS Tracking:

USPS Tracking Plus®

- Delivered
- Out for Delivery
- Preparing for Delivery

Moving Through Network

In Transit to Next Facility

November 22, 2023

Departed USPS Facility

ALBUQUERQUE, NM 87101
November 18, 2023, 10:18 pm

See All Tracking History

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com™.

OFFICIAL USE

Certified Mail Fee	
\$	
Extra Services & Fees (check box, add fee as appropriate)	
☐ Return Receipt (hardcopy)	\$
☐ Return Receipt (electronic)	\$
☐ Certified Mail Restricted Delivery	\$
☐ Adult Signature Required	\$
☐ Adult Signature Restricted Delivery	\$
Postage	
\$	
Tot	
\$	
Str	
City	

Postmark
Here

usps.com/s/article/Where-is-my-package

See Less ^

SEP Permian Holding Corp.
P.O. Box 79840
Houston, TX 77279

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639901

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Out for Delivery

Preparing for Delivery

Moving Through Network

In Transit to Next Facility

November 22, 2023

Departed USPS Facility

ALBUQUERQUE, NM 87101

November 18, 2023, 10:18 pm

[See All Tracking History](#)

**U.S. Postal Service™
CERTIFIED MAIL® RECEIPT**

Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

☐ Return Receipt (hardcopy)	\$ _____
☐ Return Receipt (electronic)	\$ _____
☐ Certified Mail Restricted Delivery	\$ _____
☐ Adult Signature Required	\$ _____
☐ Adult Signature Restricted Delivery	\$ _____

Postage

Shogoil & Gas Co. II, LLC
P.O. box 29450
Santa Fe, NM 87592-9450

Postmark
Here

<https://www.ups.com/s/article/Where-is-my-package>)

See Less 

Feedback

PS Form 3800, April 2015 PSN 7530-02-000-9047

See Reverse for Instructions

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639918

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item was picked up at the post office at 10:14 am on November 27, 2023 in HAY SPRINGS, NE 69347.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Post Office

HAY SPRINGS, NE 69347

November 27, 2023, 10:14 am

See All Tracking History

<https://faq.usps.com/s/article/Where-is-my-package>

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 1. Article Addressed to: Shogol & Gas Co. LLC P.O. Box 209 Hay Springs, New England 69347 9590 9402 8530 3186 0596 64 Article Number (Transfer from service label) 7020 0090 0000 0863 9918 PS Form 3811, July 2020 PSN 7530-02-000-9053		A. Signature ☒ Agent ☐ Addressee X <i>Claire Shogol</i> B. Received by (Printed Name) <i>Claire Shogol</i> C. Date of Delivery D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No 3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	

Domestic Return Receipt

Feedback

Contact USPS Tracking support for further assistance.

FAQs

USPS Tracking®

FAQs >

Remove X

Tracking Number:

70200090000008639925

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item was delivered to an individual at the address at 12:18 pm on November 24, 2023 in BUFORD, GA 30518.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Left with Individual

BUFORD, GA 30518

November 24, 2023, 12:18 pm

See All Tracking History

<https://usps.com/s/article/Where-is-my-package>

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY														
- Complete items 1, 2, and 3. - Print your name and address on the reverse so that we can return the card to you. - Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature X B. Received by (Printed Name) C. Date of Delivery D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No														
1. Article Addressed to: Summer Lorraine Davila 5326 Blossom Drive Sugar Hill, GA 30518 9590 9402 1258 5246 3436 69	3. Service Type <table border="0"><tr><td>☐ Adult Signature</td><td>☐ Priority Mail Express®</td></tr><tr><td>☐ Adult Signature Restricted Delivery</td><td>☐ Registered Mail™</td></tr><tr><td>☐ Certified Mail®</td><td>☐ Registered Mail Restricted Delivery</td></tr><tr><td>☐ Certified Mail Restricted Delivery</td><td>☐ Return Receipt for Merchandise</td></tr><tr><td>☐ Collect on Delivery</td><td>☐ Signature Confirmation™</td></tr><tr><td>☐ Collect on Delivery Restricted Delivery</td><td>☐ Signature Confirmation Restricted Delivery</td></tr><tr><td>☐ Registered Mail Restricted Delivery (over \$500)</td><td></td></tr></table>	☐ Adult Signature	☐ Priority Mail Express®	☐ Adult Signature Restricted Delivery	☐ Registered Mail™	☐ Certified Mail®	☐ Registered Mail Restricted Delivery	☐ Certified Mail Restricted Delivery	☐ Return Receipt for Merchandise	☐ Collect on Delivery	☐ Signature Confirmation™	☐ Collect on Delivery Restricted Delivery	☐ Signature Confirmation Restricted Delivery	☐ Registered Mail Restricted Delivery (over \$500)	
☐ Adult Signature	☐ Priority Mail Express®														
☐ Adult Signature Restricted Delivery	☐ Registered Mail™														
☐ Certified Mail®	☐ Registered Mail Restricted Delivery														
☐ Certified Mail Restricted Delivery	☐ Return Receipt for Merchandise														
☐ Collect on Delivery	☐ Signature Confirmation™														
☐ Collect on Delivery Restricted Delivery	☐ Signature Confirmation Restricted Delivery														
☐ Registered Mail Restricted Delivery (over \$500)															

2. Article Number (Transfer from carrier label)
7020 0090 0000 0863 9925

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

Feedback

Contact USPS Tracking support for further assistance.

FAQs

USPS Tracking®**FAQs >****Tracking Number:****70200090000008639932****Remove X****Copy** **Add to Informed Delivery** (<https://informedelivery.usps.com/>)**Latest Update**

Your item has been delivered and is available at a PO Box at 10:32 am on November 21, 2023 in AUSTIN, TX 78749.

Get More Out of USPS Tracking:**USPS Tracking Plus®****Delivered****Delivered, PO Box****AUSTIN, TX 78749****November 21, 2023, 10:32 am****See All Tracking History**

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
- Complete items 1, 2, and 3. - Print your name and address on the reverse so that we can return the card to you. - Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature  B. Received by (Printed Name) Jose C. Santos C. Date of Delivery D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
1. Article Addressed to:			
Syhan, LP P.O. Box 92349 Austin, TX 78709-2349			
 9590 9402 1258 5246 3431 71			
2. (Transfer from service label) 7020 0090 0000 0863 9932			
PS Form 3811, July 2015 PSN 7530-02-000-9053		3. Service Type ☐ Adult Signature ☐ Adult Signature Restricted Delivery ☐ Certified Mail® ☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Collect on Delivery Restricted Delivery ☐ Insured Mail ☐ Priority Mail Express® ☐ Registered Mail™ ☐ Registered Mail Restricted Delivery ☐ Return Receipt for Merchandise ☐ Signature Confirmation™ ☐ Signature Confirmation Restricted Delivery	

Domestic Return Receipt

Feedback

Need More Help?

Contact USPS Tracking support for further assistance.

FAQs

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Land Management
414 W. Taylor
Hobbs, NM 88240-1157



9590 9402 1258 5246 3431 88

2. Article Number (Transfer from service label)

7020 0090 0000 0863 9949

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

Joe Balderaz

C. Date of Delivery

11/28/23

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- | | |
|--|---|
| ☐ Adult Signature | ☐ Priority Mail Express® |
| ☐ Adult Signature Restricted Delivery | ☐ Registered Mail™ |
| ☐ Certified Mail® | ☐ Registered Mail Restricted Delivery |
| ☐ Certified Mail Restricted Delivery | ☐ Return Receipt for Merchandise |
| ☐ Collect on Delivery | ☐ Signature Confirmation™ |
| ☐ Collect on Delivery Restricted Delivery | ☐ Signature Confirmation Restricted Delivery |
| ☐ Insured Mail | |
| ☐ Insured Mail Restricted Delivery | |

Domestic Return Receipt

USPS Tracking®

FAQs >

Tracking Number:

Remove X

70200090000008639956

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item was picked up at a postal facility at 10:27 am on November 20, 2023 in SANTA FE, NM 87501.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Postal Facility

SANTA FE, NM 87501

November 20, 2023, 10:27 am

See All Tracking History

[Where are my package statuses Mean?](https://faq.usps.com/s/article/Where-is-my-package) (<https://faq.usps.com/s/article/Where-is-my-package>)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

9590 9402 1258 5246 3431 95

9566 6980 0000 0600 0202

Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature **X**

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Adult Signature	☐ Priority Mail Express®
☐ Adult Signature Restricted Delivery	☐ Registered Mail™
☐ Certified Mail®	☐ Registered Mail Restricted Delivery
☐ Certified Mail Restricted Delivery	☐ Return Receipt for Merchandise
☐ Collect on Delivery	☐ Signature Confirmation™
☐ Collect on Delivery Restricted Delivery	☐ Signature Confirmation Restricted Delivery
☐ Mail Restricted Delivery	
☐ Mail Restricted Delivery (over \$500)	

Domestic Return Receipt assistance.

Feedback

FAQs

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005859346

This is not an invoice

MONTGOMERY & ANDREWS P.A.
PO BOX 2307

SANTA FE, NM 87504

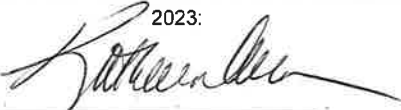
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

11/19/2023

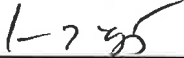


Legal Clerk

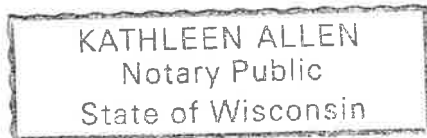
Subscribed and sworn before me this November 20,
2023:



State of WI, County of Brown
NOTARY PUBLIC



My commission expires



Ad # 0005859346
PO #: 23997- 23998
of Affidavits: 1

This is not an invoice

Exhibit C-2

NOTICE

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns, and any other uncommitted mineral owners:

Durango Production Corp.; WPX Energy Production Co.; MEC Petroleum Corp.; Pintail Production Company; Concho Oil & Gas LLC; Concho Resources, Inc.; Murchison Oil and Gas, LLC; EL Latham Co.; 1B4S Enterprises, LLC; Blue Hole Investments; Mumford & Company; Pegasus Resources II, LLC; SEP Permian Holding Corp.; Paloma Natural Gas Holdings, LLC; Permian Basin GIF I, LLC; A.G. Andrikopoulos Resources, Inc.; Shogoi & Gas Co., LLC; Shogoi & Gas Co. II, LLC; Sydhan, LP; Lisha N. Davila Kovacevic; Summer Lorraine Davila; the New Mexico State Land Office, and the U.S. Bureau of Land Management.

Flat Creek Resources, LLC, has filed applications with the New Mexico Oil Conservation Division as follows:

Case No. 23997: Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the E/2 E/2 of Section 2, Township 25 South, Range 26 East, and the E/2 E/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com B5 #1H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,050' FEL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 770' FEL of Section 35, T24S-R26E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

Case No. 23998: Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 640-acre, more or less, horizontal spacing and proration unit ("HSU"), with proximity tracts, comprised of the W/2 E/2 and E/2 W/2 of Section 2, Township 25 South, Range 26 East and the W/2 E/2 and E/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com B5 #2H** well, to be horizontally drilled from a surface hole location approximately 200' FSL and 1,070' FEL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 2,555' FEL of Section 35, T24S-R26E. With the proximity tracts, the completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

23999: Application of Flat Creek Resources, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Oil Conservation Division pooling all uncommitted mineral interests in the Bone Spring formation (Cottonwood Draw; Bone Spring (O) [97494]) in a standard 320-acre, more or less, horizontal spacing and proration unit ("HSU"), comprised of the W/2 W/2 of Section 2, Township 25 South, Range 26 East, and the W/2 W/2 of Section 35, Township 24 South, Range 26 East, in Eddy County, New Mexico. Applicant proposes to drill the following 2-mile well in the HSU: **Jawbone Fed Com B5 #3H** well, to be horizontally drilled from a surface hole location approximately 396' FSL and 1,156' FWL of Section 2, T25S-R26E, to a bottom hole location approximately 100' FNL and 680' FWL of Section 35, T24S-R26E. The completed interval and first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. Additional considerations will be the cost of drilling and completing the well and allocation of such costs, the designation of Applicant as operator of the HSU and well to be drilled thereon, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 7 miles Southeast of Whites City, New Mexico.

City, New Mexico.

These applications will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division on **December 7, 2023**, beginning at 8:15 a.m. Hearings are currently conducted remotely. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by **November 29, 2023**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **November 30, 2023**, in accordance with Division Rule 19.15.4.13 NMAC. For further information, contact the applicant's attorney, Sharon T. Shaheen, Montgomery & Andrews, P.A., 325 Paseo de Peralta, Santa Fe, New Mexico 87501, (505) 986-2678.

#5859346, Current Argus, November 19, 2023